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The effects of advertised exclusivity on consumer behavior

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**THE EFFECTS OF ADVERTISED EXCLUSIVITY
ON CONSUMER BEHAVIOR**

by

Danny Clyde Upshaw, Jr. B.A., M.A., M.B.A.

A Dissertation Presented in Partial Fulfillment
of the Requirements for the Degree
Doctor of Business Administration

COLLEGE OF BUSINESS
LOUISIANA TECH UNIVERSITY

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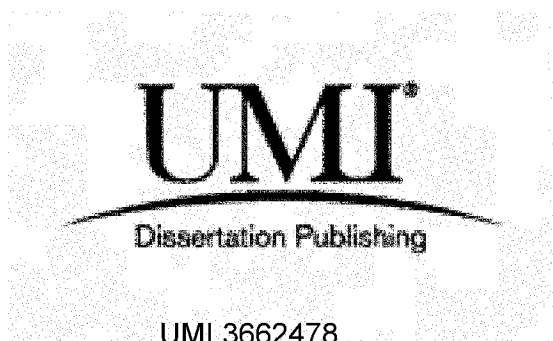
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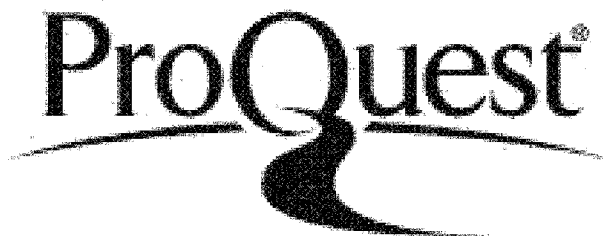


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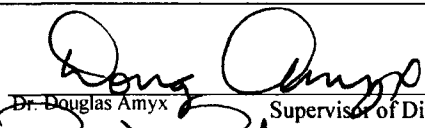
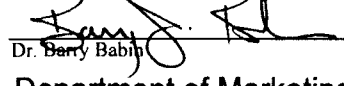
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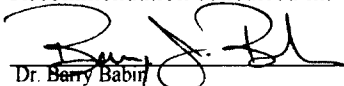
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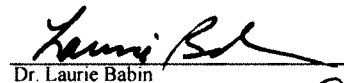
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be accepted in partial fulfillment of the requirements for the Degree of
Doctor of Business Administration


Dr. Douglas Amyx Supervisor of Dissertation Research

Dr. Barry Babin Head of Department
Department of Marketing and Analysis
Department

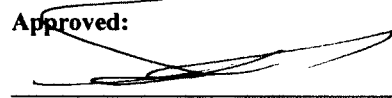
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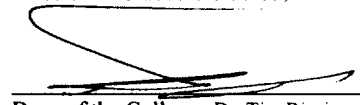

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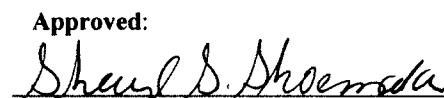

Dr. Laurie Babin


Dr. Laura Flurry

Advisory Committee

Approved:

Director of Graduate Studies, Dr. Tim Bisping


Dean of the College, Dr. Tim Bisping

Approved:

Dean of the Graduate School, Dr. Sheryl Shoemaker

ABSTRACT

Retailers routinely counter price competition by matching or beating competitors' prices. However, in addition to offering price-matching guarantees many retailers are increasingly adopting a differentiation or product assortment strategy of using "advertised retailer exclusive products" (AREPs) that are not directly comparable to competitor offerings. Such goods may offer added utilitarian and hedonic benefits to the consumer. With this tactic, products are advertised and labeled as "exclusive," but the nature of the exclusivity may range no further than an exclusive label to more pronounced differences, such as unique or additional features. However, the effectiveness of such tactics at: (1) decreasing search motivations for lower prices and/or alternative versions of the product, (2) shaping perceived value (both utilitarian and hedonic), and (3) influencing consumers' purchase decisions, is relatively unknown.

Furthermore, while AREPs are a fairly new trend in retailing, the idea of "exclusive" products is a well-worn marketing idea. Luxury goods, in particular, are associated with exclusivity. However, exclusivity, especially the explicit, advertised exclusivity associated with AREPs, is different from the implied exclusivity of luxury goods. Therefore, this dissertation also presents a continuum and classification scheme of exclusivity to assist in differentiating between the types of exclusivity appeals and products. With the various forms of exclusivity classified, this dissertation gives a refined definition of "exclusivity" in a marketing context.

Next, this dissertation discusses commonly accepted reference price models (e.g. Urbany et al. 1988, Alford and Engelland 2000) and suggests ways in which AREPs might influence these models and convince consumers to pay more for an “exclusive” product. An alternative model specifically addresses ways in which AREPs attempt to suppress or enhance parts of the traditional reference price model to increase purchase intention. AREPs, by their very nature, have no identical products available for comparison. However, other retailers may offer extremely similar versions of the same products.

Rather than competing on price, AREPs use a combination of scarcity, whether real or perceived, prestige pricing, and additional hedonic (i.e. emotional) or utilitarian (i.e. practical) value to make the sale price more attractive. This unique combination of exclusive features and attributes may increase the likelihood of customer lock-in, in which customers must visit the retailer, and perhaps pay a slightly higher price, in order to obtain the additional “exclusive” attributes.

Overall, this dissertation focuses on the nature of exclusivity in a marketing context, both in the retail marketplace and in the academic literature. While AREPs as a retailing strategy are discussed in-depth, other forms of exclusivity are also discussed to better define exclusivity and differentiate between the forms that exclusivity takes in the marketplace. Last, an experiment testing consumer reactions to “exclusivity” promotions provides insight into the effectiveness of such promotions and gives a better understanding of how consumers perceive exclusive product promotions.

The experiment was conducted using a web survey at a university in the southern United States. After cleaning the data, 321 valid responses remained. MANCOVA was

used to analyze the results of the survey, and exclusivity promotions alone appeared to have had little impact on consumer perceptions. When exclusivity and additional product attributes were both present, exclusivity promotions significantly lowered the subjects' attitudes toward the product in some manipulations. Overall, exclusivity promotions and their effects seem related to the type of attributes that are combined with the exclusivity promotion, and these effects appear to vary across product class.

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Date 7-30-2014

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Galatians 6:9 (English Standard Version) "And let us not grow weary of doing good, for in due season we will reap, if we do not give up."

CHAPTER 1

INTRODUCTION AND CONTRIBUTIONS

Introduction and Background of Study

A current trend in advertising promotions is to advertise “retailer exclusive” products, which cut across a variety of product categories and ad types. However, few articles discuss the idea of advertised retailer exclusive products (AREPs) or consumer perceptions of such advertising. Instead, most literature related to exclusivity deals with exclusive distribution, luxury goods, brand/product prestige, or scarce products. Thus, a discussion of luxury, along with related concepts such as prestige, scarcity, and pricing, is provided. Much about the nature of exclusivity can be learned from the study of luxury goods.

However, luxury is not the focus of this dissertation. While conspicuous consumption, a need for prestige, or other factors may play a role in the decision to purchase luxury products, such ideas would not likely affect the purchase of an “exclusive” product unsuitable for conspicuous consumption. And, this situation is increasingly common. Exclusivity is becoming more associated with convenience goods, products suitable for spontaneous purchases, and product categories with no luxury connotation. Yet, little research has been conducted into consumer perceptions of exclusivity, especially when it relates to non-luxury products. Therefore, while impressions of scarcity and uniqueness may be common to both luxury goods and other

goods labeled as “exclusive,” a deeper investigation into non-luxury exclusive goods is warranted.

Also, the manner in which AREPs are advertised and priced represent innovative retailer behaviors which have not been fully examined in the literature. Some exclusive products are advertised as exclusive in traditional media (e.g. print ads, television ads, etc.), and some are clearly labeled with a sticker on the product package. Prices for AREPs are usually, but not always, higher than for non-exclusive products. What’s more, consumer perceptions of advertised exclusivity are largely unknown.

Contributions of Research

While leveraging exclusive products and brands for competitive advantage has been mentioned in a recent special issue of the *Journal of Retailing* (Sorescu et al. 2011, Dekimpe et al. 2011) in the context of innovative retailer business models, the full benefits of such a strategy, and how consumers respond to such products are relatively unknown. This dissertation seeks to add knowledge to this gap in the literature by addressing the common practice of advertising and labeling some goods as “exclusive” to a specific retailer.

However, in addition to discussing a retailer’s reasons for pursuing an exclusive products strategy, this dissertation places an emphasis on how consumers react to exclusive labeling and advertising. Since retailers often employ an exclusive products strategy to avoid direct price competition, gain customer lock-in (in which consumers are “locked-in,” or constrained to a single retailer or vendor if they want a product), and a gain various other competitive benefits, this work attempts to measure consumer

reactions to “exclusive” goods and draw conclusions about the efficacy of an exclusive goods strategy.

Academic and Theoretical Contributions

This dissertation examines a product differentiation and labeling strategy that has been extensively used in the marketplace, but has received relatively little empirical study in academic literature. While exclusivity is normally associated with luxury goods or scarce goods, the use of exclusivity, particularly with non-luxury goods, as a promotional technique is a relatively new phenomenon. Academic literature listed exclusive items as an “innovation in retailing” as recently as 2011 (Sorescu et al.), and popular press articles about exclusive goods strategies have commonly been seen in the last few years (Zimmerman_a 2012; Zimmerman_b 2012; Pamar 2010; Zacks Equity Research 2013). While the *Journal of Retailing* (Sorescu et al. 2011) identified an exclusive products strategy as a way to increase customer lock-in, retailers may engage in an exclusive products strategy for a variety of reasons. For example, consumer “showrooming”, in which consumers visit a store to inspect a product but later buy it online for a lower price, has been a consumer behavior that exclusive strategies can counter.

Due to the recency of these changes in the marketplace, academic literature has not had time to properly assess their impacts. This dissertation seeks to fill this gap in the literature and answer a call for research into “Innovations in Retail Business Models” from the *Journal of Retailing* (Sorescu et al. 2011). What’s more, the relationship between exclusivity, scarcity, and luxury is examined, and theory related to the notion of exclusivity is discussed. While exclusivity is often associated with luxury in the literature, the idea of perceived exclusivity and its effect on non-luxury products may

lead to a broader understanding of the idea of exclusivity in consumers' minds. That is, the concept of exclusivity is expanded beyond the realm of luxury and prestige goods.

Therefore, this dissertation discusses the various types of "exclusivity" and gives a definition of "exclusive" within a marketing context. Furthermore, this work yields a typology for classifying the different types of "exclusivity." For example, in the marketing literature, "exclusivity" has been broadly defined and usually describes luxury products. However, examples from the marketplace make it clear that exclusivity can be associated with products from almost any category or price range.

Also, while retailers may see an exclusive goods strategy as a product differentiation strategy, marketers may make use of labels, unique packaging, or advertising to better position exclusive products and services in consumers' minds. The use of "exclusive" labels, which are often stuck directly onto some product packages, also represents a chance to re-visit the notion of packaging, specifically package labeling, as a form of promotion.

Next, a more generalized examination of pre-existing reference price models also demonstrates how AREPs attempt to alter traditional reference price comparisons by emphasizing or obscuring specific parts of the price-comparison process. One of these reference price models is partially based on Transaction-Utility Theory (Urbany et al, 1988; Thaler 1983, 1985). Thus, Transaction-Utility theory is used to explain how consumers might perceive exclusive offers, and an experiment provides empirical evidence of consumer reactions to exclusive products across different product categories. Based on this work, the effects of an exclusive products strategy will be revealed.

Practical Contributions

The study of exclusivity and AREPs has broad practical implications. After all, AREPs were created for practical business reasons. Perhaps the most relevant practical contributions of this work lies in researching the effectiveness of AREPs at: increasing profitability, increasing foot traffic in stores, combating price competition, combating showrooming, achieving customer lock-in, and discerning the effectiveness of an exclusive product promotion strategy. Additionally, since exclusivity promotions are often used in conjunction with exclusive product attributes, this work will give managers ideas about what types of exclusive attributes to feature, or avoid featuring, with an exclusivity strategy.

Information about the effectiveness of AREPs, as well as the ways in which consumers perceive such products and advertising, can help retailers better customize their product assortments. Retailers may learn if an exclusive products strategy is worth investing in, and how such products compare with non-exclusive versions of the same or similar products. For example, should a retailer carry the “regular” version of a product, or an “exclusive” version? This work helps to answer such questions.

As AREPs have become quite common in recent years and spread across several product categories (see Figure 4 for examples), research into two different product classes (entertainment products and household appliances) can also assist retailers to choose product categories that are best suited to an exclusive products strategy. The types of products best suited for an exclusivity strategy, as well as the types of exclusive attributes featured with those products, will be clarified by this work.

CHAPTER 2

LITERATURE REVIEW AND CONCEPTUAL DEVELOPMENT

Introduction

Chapter 2 starts with a focus on the idea of exclusivity and a brief discussion of the various forms that it may take, with greater attention given to “advertised as retailer exclusive products” (AREPs). Later, as the discussion of the types of exclusivity becomes more thorough, a review of the concept of “exclusivity” within the marketing literature is given. Much of the literature discusses the idea of “exclusivity” in the context of luxury products is only anecdotally related to the specific case of AREPs as they are later defined in this dissertation. For this reason, this dissertation develops a typology of the various types of product/service “exclusivity” and offers a detailed definition of exclusivity within a marketing context. The exclusivity typology and definition clarify and reconcile the various ways that “exclusivity” is used in the marketplace and literature.

As stated previously, special emphasis is given to AREPs as they represent a potentially growing (Dekimpe et al 2011) and innovative retailing and product assortment strategy (Sorescu et al 2011). Examples of AREPs are given, and their various benefits

for retailers and potential effects on consumers are discussed. More generally, consumer attitudes and behaviors toward exclusivity and the appeal of exclusivity are also discussed.

In general terms, retailer exclusive products attempt to appeal to consumers by offering an “exclusive” or unique and differentiated value proposition only available at a specific retailer. Exclusive offerings present several challenges for consumers. For example, on a price-comparison basis, consumers may find it difficult, if not impossible, to locate directly comparable substitutes. Thus, pre-existing reference price assumptions must be reconsidered by the consumer in light of exclusivity’s effects, which may include additional hedonic and/or utilitarian benefits. Further, the effects of exclusivity may not be fully understood or even accounted for in traditional reference price models. Some elements of pre-existing models may also be diminished by a possible exclusivity effect. For example, would the idea of product “exclusivity” influence a customer to pay more for such an item and if so, how much more would that customer pay? To consider these and other questions regarding the nature of exclusivity, widely established reference price models are examined.

Last, this review discusses luxury goods, pricing, hedonic value, utilitarian value, need for uniqueness, advertising skepticism, self-image, and self-construal in relation to consumer behavior. Scales used in measuring these items are also discussed.

A Review of the Concept of Exclusivity with Examples

Exclusivity, as a unique concept, has rarely been studied in marketing literature, and therefore, there have been few, if any attempts at defining it. Typically, exclusivity is simply used as a description for certain goods (e.g. luxury goods) or distribution

practices, and is the noun form of the adjective “exclusive.” The online Merriam-Webster Dictionary gives several definitions for the word “exclusive.” These are:

1. a: excluding or having the power to exclude. b: limiting or limited to possession, control, or use by a single individual or group.
2. a: excluding others from participation. b: snobbishly aloof.
3. a: accepting or soliciting only a socially restricted patronage (as of the upper class). b: stylish, fashionable. c: restricted in distribution, use, or appeal because of expense.
4. a: single, sole <*exclusive* jurisdiction>. b: whole, undivided <his *exclusive* attention>.

Overall, the definitions are broad, but carry the common themes of limitations, restrictions, and connotations of style, expense, and social class. In the context of marketing, this dissertation suggests that exclusivity carries connotations of scarcity perceived by the buyer, whether limited in quantity, distribution, or in time of availability. Often, as discussed later, exclusive offers are associated with recently released products or products that have a heightened hedonic appeal. The perception of uniqueness, too, often accompanies exclusivity. For example, an exclusive product might be perceived to have some implicit or explicit difference from competing products that adds to the consumers’ perceived value, whether hedonic or utilitarian. However, while exclusivity often connotes luxury or elevated social status, evidence from the marketplace suggests that exclusivity can span the entire spectrum of goods and services. Therefore, the marketing definition of exclusivity should encompass luxury as well as non-luxury products. Before attempting to define exclusivity from a marketing perspective, an overview of the concept of exclusivity in both the marketplace and the marketing literature is necessary.

At its core, the idea of exclusivity is based on differentiation. For example, Ford dealerships have a monopoly on selling new Ford vehicles. New Fords are “exclusive” to Ford dealerships, and this fact is but one of the many differentiating factors between car dealerships. In this example, a firm has little reason to advertise the “exclusivity” of its products. This dissertation follows Edward Chamberlin’s notion of “monopolistic competition,” that each firm has a “monopoly” or exclusive control and rights over certain elements of its operation (Chamberlin 1933). That is, the brand name and the exclusivity of products bearing a particular brand name are inextricably linked together. Perhaps, from a marketing perspective, this form of exclusivity might best be called “natural exclusivity,” or to follow Chamberlin’s language, perhaps “monopolistic exclusivity” would suffice since consumers have long been conditioned to understand such relationships between a sales franchise and a manufacturer or branding agent. Store brands, too, are functionally similar to this notion of exclusivity.

However, many forms of “exclusivity” exist. Reasons for product or service exclusivity may include, but are not limited to: regional/geographic availability, scarcity or limited supply, store brands, price and/or cost, and contractual obligations (e.g. contractually timed exclusivity). In recent years, a distinct form of “retailer exclusive goods,” perhaps best called “advertised as retailer exclusive products” (AREPs) has gained popularity. These goods are specific product lines, sometimes unique, or sometimes only marginally different from pre-existing product lines, often produced at the request of retailers for the purpose of combatting price competition. Indeed, the *Wall Street Journal* points out that retailers have begun investing heavily in “exclusive

products that are less vulnerable to price competition,” particularly price competition from the Internet (Zimmerman_b 2012; Zimmerman_a 2012).

Academic literature, too, has identified companies such as Target and Trader Joe as using a strategy of leveraging exclusive products. In their discussion of recent innovations of retail business models, Sorescu et al. (2011) point out that exclusive products are but one of several innovative retail strategies becoming popular in recent years. Exclusive branding, too, continues to grow as a competitive strategy (Dekimpe et al. 2011). In regards to product exclusivity, Sorescu et al. (2011, S8) consider “customer lock-in” as the design theme of an exclusive product strategy, and summarize the primary principle of the strategy as follows: “Product assortment is unique, inimitable and contains products with a clear and strong value proposition.”

Such products, retailer exclusive versions, can best be categorized into two varieties: unadvertised retailer-exclusive products and advertised retailer-exclusive products. Wal-Mart, for example, carries Samsung televisions that are similar to those sold at other retailers, but their model number may differ by one or two characters, and the televisions themselves may have only a small variation in the features offered at other establishments. In this situation, the retailer exclusivity of the television is often not advertised or emphasized on the showroom floor.

Causes for a lack of emphasis on retail exclusivity may vary. In some cases, a retailer may simply sell a product or brand that is unavailable elsewhere due to manufacturer requests. Or, the retailer may request production of an exclusive version of a product that may have slightly fewer features than the standard model of the product found elsewhere. In this case, the retailer may order a slightly cheaper, lower quality

product that is very similar to the manufacturer's regular product, but still present and price the product as though it is of equal quality to the standard models found at other retailers. Hence, the similarity of the products would enable brick and mortar (B&M) retailers with non-advertised exclusive product lines to better compete on price with online or B&M retailers who sell the standard product at a reduced cost. Without close examination of the product feature sets, consumers may not notice a difference, other than price, between the unadvertised retailer-exclusive model and the standard model. Also, the exclusive-model would prevent consumer's use of price-matching policies, further decreasing price competition.

However, the labeling and advertising of retailer exclusive products is a more recent innovation, and therefore, this discussion will center on such products (AREPs). Such products typically come in two types: timed exclusives and specially produced products. Timed exclusives are often used to drive traffic to a retailer and provide a competitive advantage. AT&T's timed exclusivity of the original iPhone is an example of a widely known exclusive (Siegler 2010; Figure 1).



Figure 1 *A Partial Screenshot of the iPhone Pre-Order Web Page*

Another example of an AREP would be a retailer offering of exclusive version of a newly-released, popular, DVD or Blu-ray. This version may be identical to most other versions, but might include a version of the film that has an additional cut, extra deleted scenes, unique packaging, or other qualities and content that is unavailable at other retailers. The product would also plainly be labeled as an “Exclusive” for consumers to examine. In addition to DVD’s and Blu-rays, Target, for example, has released several limited-edition, retailer-specific, designer clothing items (Wohl 2011; Zimmerman, 2012; Sorescu et al. 2011). Generally, such exclusive items are relatively well advertised, with retailers occasionally issuing press releases for exclusive items or putting stickers on packaging denoting the exclusive nature of the product (Target_a 2012; Target_b 2012). Wal-Mart, BestBuy, and Target have all used retailer-exclusive versions of DVD and Blu-ray films [Figure 2]. Often, the exclusivity of these items is communicated using a variety of phrases such as “Exclusively at,” “Only at,” the retailer name or logo followed by “exclusive”, or in the case of designer clothing, items will use the designer’s name followed by “for” and the retailer name. Such exclusivity language cues are common with AREPs. Figure 3 demonstrates the difference between an AREP and a non-exclusive version of a product. However, the differences between some AREPs and their non-exclusive counterparts may sometimes be more dramatic than those pictured.

To be clear, AREPs are part of a competitive strategy specifically aimed at stifling price competition from online retailers, although they may provide competitive benefits against traditional B&M retailers as well. Indeed, the literature reinforces the notion that the ease of online price comparisons may make consumers more price sensitive (Pan et al. 2002).

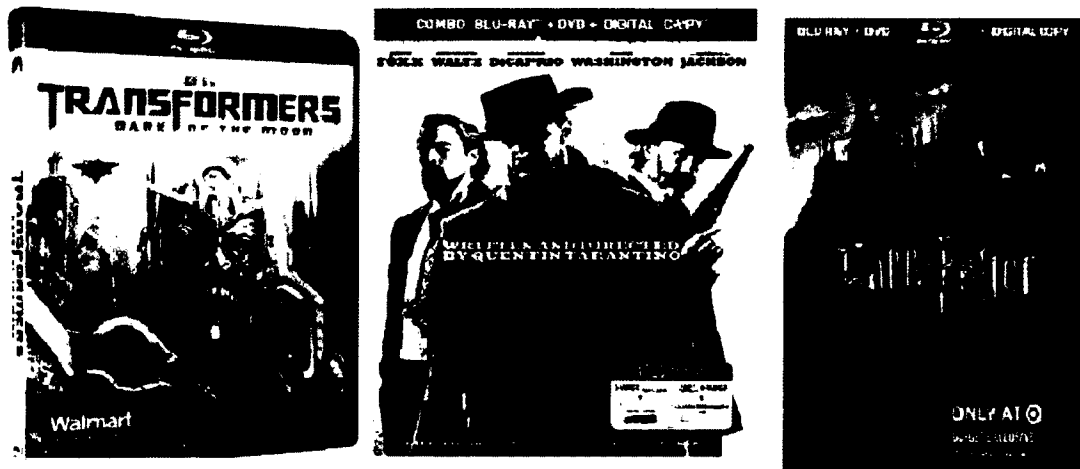


Figure 2 *Walmart, BestBuy, and Target Exclusive Blu-rays*

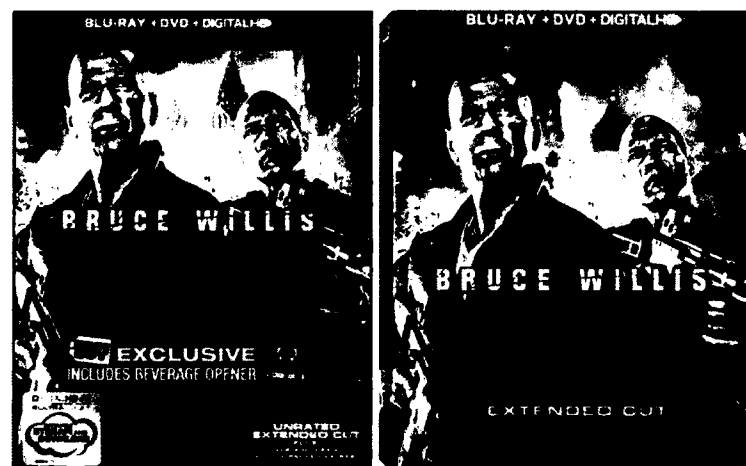


Figure 3 *A Basic Example of an AREP and Its Non-Exclusive Counterpart*

In fact, the *Wall Street Journal* reports that Target “in an urgent letter to vendors [...] suggested that suppliers create special products that would set it apart from competitors and shield it from the price comparisons that have become so easy for shoppers to perform on their computers and smartphones” (Zimmerman, 2012). Indeed, the end of the letter, signed by Target’s Chief Executive and executive vice president of merchandising, states: “What we aren’t willing to do is let online-only retailers use our brick-and-mortar stores as a showroom for their products and undercut our prices without

making investments, as we do, to proudly display your brands" (Zimmerman, 2012). Toys R Us Vice President Troy Peterson has also stated his company's strategy as: "It is our strategic position to offer products that you can't find anywhere [else] or be compared on price" (Zimmerman, 2012; Wharton University 2012). Best Buy's CEO has echoed similar sentiments, stating that exclusive products were one of a variety of ways to strategically work with suppliers (Skariachan 2012).

Retailers in different channels, too, can make such offers. For example, Microsoft recently advertised an exclusive "Xbox Live" version of the comedy "A Very Harold and Kumar Christmas" that included a storyboard featurette not found on any other medium (Xbox 2012). As Xbox Live is a digital distribution service, and Target only offers movies via conventional retail outlet, such differentiation measures can affect retailer to retailer competition as well as channel to channel competition. Thus, one effect of increasing price competition appears to be growth in retailer, and even channel-specific, versions of similar goods.

And, again using retailer exclusive versions of DVDs and Blu-rays as the example, the same films with slightly fewer "bonus" features may be found at other retailers. On rare occasions, a single film may have differing "retailer exclusive" versions for each retailer. These versions may differ on packaging, bundling, or content. Thus, product comparisons based on feature sets are still possible, even if identical comparisons are not. Perhaps, the best description of such products comes from Groth and McDaniel's (1993) discussion of exclusive brands. That is, similar to exclusive brands, these products meet the criteria for the "exclusive value principle" in that these products offer exclusive features, which may offer additional value to customers. Per

Groth and McDaniel (1993) “Customer perception of exclusive value can allow effective use of prestige pricing.” Therefore, in addition to making direct product comparisons across retailers more difficult, retailer exclusive products may help justify slightly higher prices at B&M over online prices. While prestige pricing is normally associated with luxury brands, the concept of charging more for an “exclusive” item would be conceptually similar. Also, exclusive product offers may increase retail traffic.

Similar to the exclusive value principle, Phau and Prendergrast (2000) point out that exclusivity is a key component of luxury goods, and part of the “rarity effect.” They point out that luxury goods compete, in part, on their ability to “evoke exclusivity” (p. 123). The appearance of luxury decays when ownership of a brand or product becomes commonplace.

While Blu-rays have been used as a primary example thus far, it should be again noted that multiple products from differing categories are advertised as retailer “exclusives.” These may include board games, vacuum cleaners, flattening irons, Blu-rays, DVD’s, CD’s, eyeglasses, premium headphones, laptops, video games, designer clothing, toys, and phones [examples in Figure 3]. The prices, too, can be quite variable, from DVD’s in the \$20 range, to headphones starting at \$249, and a laptop at \$537, and cell phones starting at \$599 (or discounted with contract). All these products have unique designs, colors, content, or other features, typically superficial or minor in nature, which are exclusive to a specific retailer. A more in-depth discussion of product attributes, specifically the use of minor and/or “trivial” product attributes, and exclusivity will be presented shortly.

To demonstrate that AREPs are common at a variety of retailers and across product categories, Figure 4 illustrates numerous examples of AREPs. This collection of images includes product pictures, selections from print ads, website screen shots, and promotional photos taken at a publicity event. Although more easily visible in some examples, each image contains a form of exclusivity language or labeling. However, items from both Best Buy (Neon Beats Earbuds by Dr. Dre) and Target (Taylor Swift's "Speak Now" Target Exclusive Deluxe Edition) have been featured as exclusive items in television commercials, so the examples of exclusivity promotions in Figure 4 are not exhaustive in terms of products, product categories, or advertising and labeling methods. Additional information about these items, including examples not pictured in Figure 4, can be found in Appendix A. To be clear, while services may also be advertised as exclusive (e.g. The NFL's "Sunday Ticket" programming package is currently only available through Directv), this dissertation focuses primarily on physical goods.

However, some risk is associated with increasing the number of unique in-store items. Prior research has shown that increasing the number of unique products in-store can make consumers more price conscious because they cannot directly price match with other retailers (Kukar-Kinney et al. 2007). Thus, a cautious approach to increasing the number of retailer exclusive items might be prudent. Indeed, the notion of product-assortment as a competitive advantage has been a doubtful proposition. Typically, retailers do not produce products – manufacturers do. Therefore, a competitive advantage built around exclusive goods, a form of enhanced product assortment, is usually seen as unlikely or difficult to achieve (Sorescu et al. 2011). Creating highly unique product assortments can be difficult and expensive.

Target exclusives.
a true classic.
WILLIAMS SONOMA
DRESS SLIPPERS

INTERCEPT
EXCLUSIVELY AT BEST BUY
\$59.99

BEST BUY
EXCLUSIVE

33% OFF
Fri. & Sat.
Toys R Us
19.99
was 29.99
CARS
Mack Carry Case
Ages 4-up.
202521 294146

WORLD TOUR LIVE
CD-DVD
ONLY AT CD
JENNIFER LOPEZ

MISSONI
FOR TARGET
THE NEW COLLECTION

GIJDE
THE RISE OF GARDEN

DOORBUSTER
WHILE QUANTITIES LAST!
\$269
SAVE \$30
CHI AIR FLAT IRONS
Quartet's sleek, all-in-one flat iron, steam and curler iron, again, in 90's color.

FREE \$20
WHEN YOU BUY ANY
CHI AIR ITEM LISTED
99.99
CHI AIR FLAT IRONS
Quartet's sleek, all-in-one flat iron, steam and curler iron, again, in 90's color.

EXCLUSIVE HOLIDAY
GIFTS INCLUDE FREE
THERMAL GLITCH

Figure 4 An Assortment of AREPs

Since this strategy defies convention, studying firms that have successfully implemented an exclusive products approach to gain a competitive advantage is of both practical and academic interest. Under what conditions and with what products does an exclusive-products strategy work?

Trivial Attributes

Considering that AREPs have unique, exclusive features, some attention should be given to the significance of the number of attributes found in AREPs. In particular, labeling a product as “exclusive” gives it one more attribute than its non-exclusive counterpart. For some consumers, an increasing number of minor attributes, even seemingly insignificant attributes, may lead to an increasing interest or valuations of the product (Carpenter et al. 1994; Brown and Carpenter 2000). Depending upon the context, consumers may find irrelevant, meaningless, or “trivial” attributes “relevant and valuable under certain conditions” (Carpenter et al. 1994, p. 339). That is, useless features may be perceived as “ambiguously positive” by the consumer (Brown and Carpenter 2000, p. 375). As a product differentiation strategy, Carpenter et al (1994, p. 340) suggest that trivial attributes attempt “to create a valuable product difference[s], but in fact, [do] not.”

According to Brown and Carpenter (2000, 372), trivial attributes are “those attributes with a trivial and/or subjective relationship to perceived quality as well as objectively irrelevant attributes.” More generally, they refer to them as “attributes that do not create a meaningful difference in the brand’s performance” (p. 372). For example, the exclusive version of a DVD may have more footage than the non-exclusive version of the same product. To Brown and Carpenter, this would likely be an objective, relevant

difference. Brown and Carpenter (2000) point out that trivial, subjectively valued attributes are often created through descriptive language. For example, they use the fabricated descriptive language of an “alpine class” jacket in one their experiments as a trivial attribute. The term “alpine class” has no objective meaning, but some consumers might find the idea of an “alpine class jacket” appealing. Thus, trivial attributes are easily created through advertising language and used to differentiate products on irrelevant, non-existent attributes. To Brown and Carpenter, such attributes are subjectively valued, irrelevant, or “trivial.”

Using Brown and Carpenter’s (2000) concept of trivial attributes, exclusivity qualifies a trivial attribute if the product exclusivity is created as a simple marketing ploy with no other differentiating features. In this case, exclusivity would have a clearly “subjective” relationship with perceived quality and no objectively different attributes would exist. In practice, though, exclusively labeled products rarely rely on the trivial notion of exclusivity in isolation of other exclusive product features. AREPs, for example, typically have additional exclusive attributes in addition to notion of exclusivity, which is an attribute itself. AREPs are often actually exclusive in distribution (e.g. the iPhone with AT&T) or have exclusive features in addition to exclusive advertising.

Even so, as Carpenter et al. (1994) pointed out, even clearly trivial attributes may be valuable to some consumers “under certain conditions” (p. 339). In the case where a consumer may have an existing bias toward a particular color, or any hedonic, subjectively valued trivial attribute (including the notion of exclusivity), the presence of the attribute may enhance the consumer’s perceived value. Surprisingly, the effect of

trivial attributes seems to be strong, with Carpenter et al. (1994) demonstrating that even when trivial attributes are disclosed as irrelevant before product exposure, consumers may still affect consumer value judgments.

However, the effect of trivial attributes is not always positive. In some cases, trivial attributes can negatively affect the value of a product by distracting from features that may be more salient to a product's central purpose (Simonson et al. 1993, 1994). In other words, featuring less important or vague trivial attributes over attributes that seem more pertinent to the products intended purpose may give the appearance that the "product is inferior on other dimensions" (Brown and Carpenter 2000, p. 373).

Overall, while the effect of trivial attributes on product valuations is subjective and context sensitive, the evidence indicates that trivial attributes can influence consumer behavior. Thus, even if the attributes associated with an exclusive product are "trivial" in nature, they often still affect consumer behavior. The "exclusivity" label in isolation, too, might be seen as an attribute that adds value to a product.

Exclusivity in Marketing Literature

Other work in "exclusivity" in the context of products and consumer perceptions to such branding has focused on exclusive prices or deals (Barone and Roy 2010_{ab}), limited edition products (Balachander and Stock 2009), or luxury brands (Truong et al. 2009; Phau and Prendergast 2000; Tynan et al. 2010). While some articles discuss exclusivity in the context of distribution management, franchises, production, and business-to-business commerce, such work rarely includes discussion of consumer behavior in regards to exclusivity, and therefore, is largely irrelevant to this discussion.

However, a closer examination of the applicable literature yields some details about how consumers react to the idea of “exclusivity” in a variety of circumstances. For example, Baron and Roy (2010_b) conducted an experiment to examine the “social considerations” of “deal exclusivity” in which some subjects received an exclusive offer, while others did not. Upon examining the results, Barone and Roy found that when subjects saw themselves as part of an exclusive audience (individuals offered an invitation-only promotion), they assessed exclusive promotions more favorably than inclusive promotions (Barone and Roy 2010). Grewal et al. (2011_a, p. S47) summarize Baron and Roy’s work by stating that such offers “have the greatest appeal to consumers who adopt an independent rather than collectivist self-construal.” Indeed, Barone and Roy found that subjects high in “need for uniqueness” found the greatest appeal in exclusive promotions. Though, the exclusive offer’s capacity, to evoke more positive assessments was “mediated by the offer’s ability to enable the recipient to engage in self-enhancement” (p. 78).

In a second article, Barone and Roy (2010_a) reaffirm that consumers’ evaluations of exclusive promotions were driven by the need for self-enhancement. Exclusive deals can help consumers with an independent self-construal and high need for uniqueness by allowing them to “attain values related to autonomy” (p. 129). As Barone and Roy point out in their literature review (e.g. Brewer 1991), by attaining these values, consumers participate in self-enhancement. However, consumers who held collectivist self-construal views might find exclusive and inclusive offers equally appealing, or even find the exclusive offer less appealing. An inclusive offer could “confirm their desire to maintain harmony with others” (p. 129). In other words, an exclusive offer could alienate

consumers who seek conformity. In summary, exclusive “invitation only” promotions appeal to some customers, but potentially alienate others. Barone and Roy also found a gender effected favorability impressions of exclusive promotions. Men, provided that they had a prior relationship with the marketer, were more affected by exclusive promotions than women who had a prior relationship with the marketer (2010_a).

Luxury brands, whose literature is often conceptually related to the notion of retailer exclusive products, are usually exclusive “in terms of both accessibility and price” and are strongly associated with prestige (Troung et al. 2009). To paraphrase Godey et al. (2009, p. 527), the distribution of luxury goods is typically “selective if not exclusive.” Yet, a universal definition of “luxury” goods and brands has been elusive (Tynan et al. 2010; Godey et al. 2009) due to its subjective nature. Similarly, discussions focused on the various forms of “exclusivity” are rare.

Definitions of luxury range from “anything unnecessary” (Sekora 1977) to marketing terminology for a “tier or offer” of products or services (Bernard et al 2005; Vigneron and Johnson 1999), to the common economist classification “as goods for which demand rises either in proportion with income or in greater proportion than income (i.e. where the income elasticity of demand is equal or greater than 1” (Tynan et al. 2010, p. 1157). However, the economic definition does not fit for marketing purposes as demand for goods is not solely driven by economic progress or income level (Dubois and Duquesne 1993; Van Kempen 2007). Kapferer (1997) and Vigneron and Johnson (2004) perhaps give the most generalizable definition of luxury, which is “goods for which the simple use or display of a particular branded product brings esteem on the owner, apart from any functional utility” (Vigneron and Johnson 2004, p. 486). Thus, for Vigneron

and Johnson, psychological benefits and self-enhancement are the primary determinants of luxury.

According to Hudders (2012), luxury goods are “brands associating with a premium quality and/or an aesthetically appealing design.” Hudders continues “In addition, luxury brands are exclusive, which implies expensiveness and/or rarity.” For this reason, luxury brands are especially susceptible to damage from counterfeiting, which harms the impression of exclusivity (Tynan et al. 2010). Hence, exclusivity is a key feature of luxury goods as well as AREPs. And, regarding the connotation of “exclusivity,” they may operate similarly in the consumer’s mind. Individuals may derive hedonic value (e.g. personal satisfaction), subjective intangible benefits, and personal prestige from luxury goods (Tynan et al. 2010; Vigneron and Johnson 1999, 2004). Luxury brands, in particular, (and possessions in general, Belk 1988) are associated with self-expression and the “ideal self” (Vigneron and Johnson 1999, 2004).

Hudders (2012) points out that purchase motivations for luxury goods are often considered expressive or impressive. She discusses impressive motives as both functional (quality, features, and durability) and emotional (indulgence, self-fit, and self-reward). Expressive motives are discussed in terms of identity (image, enhancement, symbols), uniqueness (little, extraordinary, unique), and conformity (like, positive, recommend). Hudders’ diagram of these purchase motives can be seen in Figure 5.

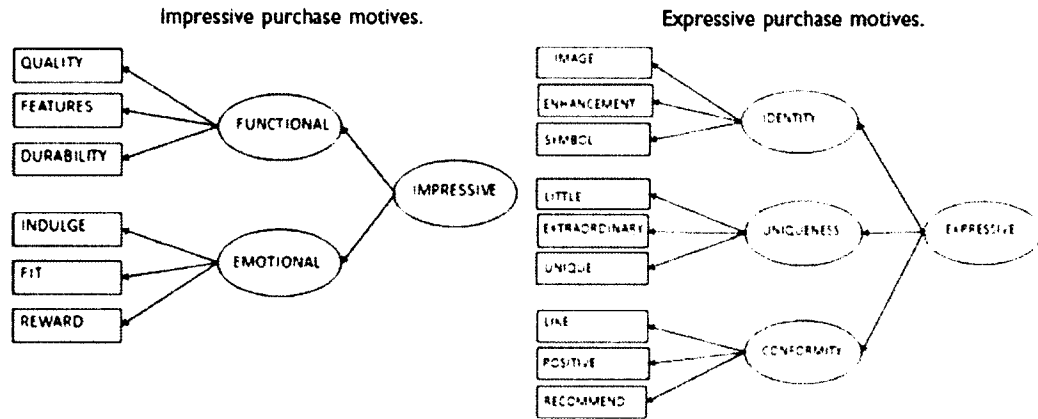


Figure 5 Hudders' Luxury Goods Purchase Motivations Framework

When these purchase motivations were analyzed together, the impressive motives were more prominent. And, of the impressive motives, the functional dimension was more important than the emotional dimension. However, even the emotional dimension of impressive motives was more important than the expressive dimension. In other words, indulging one's self and similar internal hedonic appeals were more important than expressive dimensions. In summary, these findings indicate that the quality of the product itself, followed by internal hedonic appeals of luxury products, is the main motivation for purchasing luxury goods.

The motivations to purchase AREPs may be similar to these findings, as features, a functional-impressive motivation, are often the basis for a product's exclusivity. Hudders also found that materialism, gender, and product characteristics (product conspicuousness) moderate "the relative importance of these motives" (p609) with

¹ Hudders considers uniqueness an expressive motive because uniqueness can signal meaning about the purchaser to other individuals. However, this dissertation has broadly discussed "need for uniqueness" as an internal trait that some consumers seek out, regardless of whether or not that uniqueness is "expressed" in a public fashion. In this sense, purchasing a product out of a need for uniqueness could enhance self-congruence. In the context of Hudders' model, this form of need for uniqueness as a purchase motivation would likely fit under the impressive, emotional, "fit" dimension. The "fit" item from Hudders survey reads: "I will purchase this luxury brand because it fits my self-image."

women being more inclined to purchase for impressive motives and men and women being equally motivated by expressive motives. Furthermore, an “interaction effect between expressive purchase motives and materialism level” was significant, demonstrating that individuals high in materialism were more concerned with the expressive constructs of identity, uniqueness, and conformity (p616). Indeed, material objects have often been tied to self-expression and signaling one’s social status, success in life, or fit into a social class (Belk 1988; Olson 1985). In-line with the hedonic appeal of prestige, Belk (1988) points out that possessions are part of an individual’s “extended self.” They may be physical extensions of a consumer’s ego, but can also signal meanings to the outside world.

Hudders (2012) also found that impressive motives were of greater concern for privately, rather than publicly, consumed luxuries. Expressive motives, although secondary to impressive motives, were equally important regardless of private or public consumption. Overall, while expressive factors do play a role in the purchase of luxury goods, consumers, particularly women, appear more driven by impressive motivations such as functional attributes and emotional values (Hudders 2012). This recent finding implies that internal concerns such as the functionality, quality, and features of the product as well as inwardly focused hedonic experiences such as indulgence, self-fit, and self-reward are more important than expressive concerns such as conspicuous consumption and social class signaling. This finding fits well with AREPs as not all AREPs are suitable for conspicuous consumption but may still offer impressive purchase motivations.

While the prices of luxury products are part of their exclusivity, the perceived value of any “exclusive” product may arguably offer similar benefits (Smith and Colgate 2007). Much like consumers seek out luxury goods partially for their exclusivity, consumers may seek out exclusive goods of a non-luxury nature for similar mentally appealing reasons. And, similar to high price as a sign of luxury, the typically higher price of exclusive goods may signal slightly better quality than non-exclusive, cheaper versions of the same products. After all, price is a well-established cue for quality, especially when other information cues have limited availability (Zeithaml 1988; Rao and Monroe 1989; Dodds et al. 1991). Simply put, when information is limited, price may function as a shortcut for making quality judgments, and therefore, high price can make some products and services more attractive (Rao and Monroe 1989, Erickson and Johansson 1985, Lichtenstein et al. 1988, 1991). In particular, high price can be a sign of luxury (Lichtenstein et al. 1993). Other extrinsic cues may function similarly in the absence of clear intrinsic cues (Zeithaml 1988).

In the case of AREPs, as an extrinsic cue, the label “exclusive” or “only at” likely gives several embedded extrinsic meanings beyond what price alone would give. For example, retailers who use an AREP strategy advertise products as “exclusive” only do so if the label represents some positive quality about a product because emphasizing a poor quality product as “exclusive” could harm the retailer’s image. As with luxury goods, the connotations carried by AREPs are likely similar. These meanings may include product scarcity, product quality, prestige, uniqueness, or a variety of other benefits.

Furthermore, it should be noted that luxury brands are sometimes carried at big-box retailers. Limited edition, exclusive runs of designer clothing, luggage, and similar products at specific retailers are more similar to pure “luxury” goods in that designer names are likely embedded with the notion of exclusivity. By offering luxury branded items at lower prices, big-box retailers can offer the consumer more value for their money. Gierl & Huettl (2010, 227) specifically address this example in their discussion of types of scarcity by stating: “Sometimes, collections designed by famous fashion designers are distributed by standard retail chains, which only offer a limited number of items. If customers buy such products, they can signal their good taste and be admired by their friends.” Much the same way, if a designer produces a limited design exclusively for a specific retailer, then the scarcity is even further enhanced.

As an example, Target has made great use of this strategy by hiring several different designers over the last few years. In 2011, demand for Target’s exclusive set of limited edition products by Italian designer Missoni caused www.target.com to crash, but was hailed as both a sales and publicity success (Dishman 2011). The introduction of the retailer exclusive, limited edition line generated large amounts of web traffic, greater than those reported on Black Friday, and long lines at Target stores. Additionally, the products sold out in hours and some media outlets reported the lines, opening of the store, and ensuing rush as having Black Friday-like conditions (Grinberg 2011; Howell 2011; Associated Press 2011). In this example, the product brand was luxurious, the designs were exclusive to one retailer, and the products were limited edition. Hence, the company successfully created high demand for the products using a combination of exclusivity and scarcity strategies.

Indeed, outside of luxury goods, in his discussion of scarce goods and commodity theory, Brock (1968, 246) suggests “that any commodity will be valued to the extent that it is unavailable”, where a commodity is defined as “anything that can be possessed, is useful to its possessor, and is transferable from one person to another” (Lynn 1991), or in more general terms, a “useful and transferable object” (Gierl & Huettl 2010, 227; Brock and Mazzocco 2004). This broad definition of commodities would apply to most exclusive goods, and the notion that a product is “unavailable”, at least in a limited sense, is embedded in the idea of exclusivity. However, the true scarcity of an AREP could be great or negligible. Through labeling and advertising, retailers attempt to give the impression of product scarcity, when a more accurate interpretation of the perceived scarcity is that the number of retailers selling the product is limited to one exclusive retailer. Thus, in the sense that AREPs attempt to increase value by giving the perception of limited availability, they would work well within the confines of commodity theory.

Furthermore, when a product is scarce, the type of scarcity has been shown to affect consumer product evaluations. For example, conspicuously consumed products, items consumed in such a manner that they publicly demonstrate wealth, power, or social status (Veblen 1899), benefit the most from scarcity brought on by limited supply, while scarcity for similar items brought on by high demand does not yield as favorable product evaluations (Gierl & Huettl 2010). Notably, when the product is not appropriate for conspicuous consumption, higher demand yields higher favorability ratings. In the case of AREPs, the concept of conspicuous consumption is hard to generalize as the product categories can greatly vary. For example, watching a DVD in the privacy of one’s home would hardly be a conspicuous act. However, wearing a neon-colored pair of luxury

headphones in public could easily qualify as conspicuous consumption. But, since Hudders (2012) asserted that expressive purchase motivations are secondary to impressive motivations, expressive activities such as conspicuous consumption would appear to be secondary motivations, and even then, would only be relevant to products suited for public consumption.

Exclusivity and scarcity, while related concepts, are not identical. Exclusive products are not always scarce, at least, not in the sense that they are limited in supply, and scarce products are not always exclusive to one retailer or region. Furthermore, while some firms may choose to limit production and create product scarcity for business reasons (e.g. to create the impression of high demand and induce “buying frenzy”) (DeGraba 1995; Brown 2001), scarcity is most often seen as a natural marketplace condition related to supply, demand, or distribution limitations.

From the consumer perspective, scarcity messages come in two types: limited-time scarcity (LTS) and limited-quantity scarcity (LQS) (Aggarwal et al. 2011). In their review of scarcity literature, Aggarwal et al. (2011) point out that scarcity messages typically have a “positive impact on the evaluation of and attitude toward the object of the message” and that such messages have generally been effective across cultures (p19). In their own work, Aggarwal et al. (2011) found that LQS messages were more effective than LTS messages, and that this effect was heightened for symbolic brands, which are associated with hedonic appeals, expression of self-concept or self-image, and consumer self-enhancement (p21).

Exclusivity may be used as a simple advertising technique with little regard to actual scarcity. However, how AREPs fit into the LTS and LQS paradigm is unclear.

For example, AREPs can often be found in abundance at a specific retailer and may not be scarce in the overall marketplace. Yet, the number of firms selling the ARep is scarce, or limited to one. AREPs are unique in that no pre-specified time of availability (LTS) or limited quantity (LQS) is emphasized.

Thus, exclusive products may or may not be scarce, but the perception of scarcity implied by advertised “exclusivity” is a marketing tool that has seen increased usage in recent years. The *Harvard Business Review*, in a discussion of retromarketing, supports this assertion, saying that “customers crave *exclusivity* [emphasis in original]” and that implied scarcity (e.g. “get it while supplies last”) is “one of the oldest arrows in the marketing quiver” (Brown 2001, 84-85). When customers buy an exclusive product, they believe they are “lucky” or part of the “discerning elite” (Brown 2001, 85).

In summary, AREPs share the elements of exclusivity, perceived scarcity, and uniqueness with luxury goods. Yet, since AREPs can range from low priced products to several hundred dollars, some AREPs may overlap more closely with luxury goods on other dimensions as well, such as prestige, the potential for conspicuous consumption, and high prices. First, prestige products have been discussed in terms of a continuum, ranging from upmarket, to premium, to luxury brands (Vigneron and Johnson 1999). The term “luxury” would describe the highest end of this continuum. As AREPs are a broad category of goods, some, such as several hundred dollar designer headphones, could be considered an obvious prestige good, or even a luxury good. Again, the idea of luxury and prestige are subjective, which makes such generalizations difficult.

However, ancilliary evidence indicates that most AREPs would not be pure “luxury” products for several reasons. Primarily, luxury products are rarely sold by mass

retailers as this would diminish their brand image, and luxury goods rarely need a special label to identify them as exclusive, high quality, or scarce. Such messages are typically embedded in the brand image in a variety of ways. Promotional techniques (ads, celebrity endorsements), social consumption (e.g. conspicuous consumption by the wealthy), or brand image built over time (e.g. a dedication to quality over time), or price can signal luxury, prestige, or exclusivity. So, how similar an AREP is to a luxury product would depend upon the product in question. Many AREPs are likely presented similarly to “mass-market, high-quality brands”, which consumer minds may process differently than purely luxurious brands (Qtd. in Vigneron and Johnson 1999).

Generally, high-priced products are seen as high-involvement purchase decisions because the risk of financial loss is greater (Laurent and Kapferer 1985). Thus, high-involvement would seem to apply to luxury goods. Durable goods, due to the length of time consumers would have to live with a poor purchasing decision, are often high-involvement products (Laurent and Kapferer 1985). And, as has been discussed previously, products that reflect the self or extend the ego, such as luxury goods, are often high-involvement purchasing decisions. With AREPs, the level of involvement likely functions similarly to the general consensus that price or durability are associated with high involvement. Depending on the product class, the level of involvement could vary greatly. However, the notion of scarcity associated with an exclusive product and the added features normally associated with AREPs may increase ad or product involvement slightly over involvement levels for non-exclusive products. If advertised exclusivity is partially meant to distract from price competition, it is reasonable to assume that it does so by increasing involvement in non-price related aspects of the product. In line with

Petty et al.'s (1983, 135) Elaboration Likelihood Model (ELM), the processing of exclusivity claims would likely follow a central route and elevate the "comprehension, learning, and retention of issue- or product-relevant information" in order to change attitudes about a product or price.

Next, the consumption of luxury goods can be a form of social class signaling (Veblen 1899). Commonly called "conspicuous consumption," the purchasing and use of high-priced products and brands can communicate social class, affluence, power, and wealth (Bagwell and Bernheim 1996). In this case, higher price may cause higher demand from consumers who wish to conspicuously consume and demonstrate their social status. This behavior, called the "Veblen Effect" is somewhat similar to the "bandwagon effect" identified by Leibenstein (1950). In the "bandwagon effect" consumers' demand for a product may grow as they attempt to fit in with their social reference group, many of whom may already own the product or brand in question. Alternatively, Leibenstein also identified the "snob effect", where demand falls as a larger number of consumers buy the product. Widespread ownership of a product would decrease a snob's desire for uniqueness, or desire to be "different and exclusive" (Tynan et al. 2010). Generally, most AREPs would not fit well with the notion of conspicuous consumption. While some products might qualify as luxury goods, it is doubtful that true luxury goods would be extensively advertised or labeled as exclusive. This promotional strategy would be redundant because price and years of building brand image would negate the need for such promotion. Also, relying heavily on exclusive branding and promotion could even hurt luxury goods as they should not need such introduction. As discussed previously, the nature of luxury goods is inherently exclusive. Therefore,

relying heavily on an exclusivity promotion for a luxury good could damage the credibility of the brand since consumers would be more inclined to question the product's true "exclusivity" in the spectrum of luxury goods.

In summary, while the typical AREP and luxury good differ in perceived prestige and pricing levels, they may be quite similar in their appeal on several psychological bases. These might include meeting a need for uniqueness and its accompanying self-enhancement (through meeting a psychological need for independent self-construal). AREPs and luxury goods also often make use of higher prices. While luxury goods may use prestige pricing, the concepts held in the "exclusive value principle" would also likely apply to AREPs (Groth and McDaniel 1993). That is, an element of perceived scarcity is common to AREPs and luxury goods and may play a role in price evaluations. In a variety of ways, both product types may also offer enhanced hedonic and utilitarian value to consumers beyond what is found in "typical" non-exclusive products. Therefore, while AREPs are not necessarily luxury goods, they do share much in common.

The literature review thus far has dealt with a wide variety of topics. However, Table 1 lists the articles most pertinent to the idea of "exclusivity."

Table 1

Articles Related to the Concept of Exclusivity

Author(s)	Year	Context	Relationship to Exclusivity/Findings
Groth and McDaniel	1993	Exclusive Brands	Give the “Exclusive Value Principle” which is the difference between the market value and the pure utilitarian value of a product. Brands positioned as “exclusive” products can charge a price premium, similar to the prestige pricing found for luxury products.
Phau and Prendergrast	2000	Luxury Brands	Luxury brands compete partially on their ability to evoke exclusivity. Consumers seek out rarity in luxury goods. As brand/product ownership becomes common, the appearance of luxury decays. This is the “rarity effect.” However, the rarity effect may not hold true in collectivist cultures.
Brown	2001	Scarcity	This discussion of retromarketing points out that the perception of scarcity, or implied scarcity, is a very old marketing technique, and that “customers crave exclusivity” (p84).
Kukar-Kinney, Xia, and Monroe	2007	Price-Matching	Too many unique items can increase price consciousness. “Product assortment uniqueness is a key driver of fairness perceptions” (p325).
Balachander and Stock	2009	Limited Edition Products	Some brands introduce limited edition products, which compete for consumers who desire exclusivity. Limited edition products can increase the amount consumers are willing to pay for a product, yet depending on the situation, this may not lead to greater overall profitability.
Truong, McColl, and Kitchen	2009	Luxury Brands	New luxury products are often priced just above comparable middle-range products in order to reach more consumers. Such products can be less exclusive than established luxury products, but still maintain brand prestige. Putting “reasonable price premiums” on new luxury products to reach many consumers is a “masstige” strategy (p375-376).

Table 1 (Continued)

Barone and Roy	2010 _a	Exclusive Prices or Deals (Selectively offered deals)	Exclusive deals are favored over inclusive deals. This is especially true for individuals with independent self-construals and for men with a history of purchasing from the marketer. The ability of the promotional offer to allow consumers to self-enhance mediated these effects.
Barone and Roy	2010 _b	Exclusive Prices or Deals (Selectively offered deals)	Consider “deal exclusivity effects” - The ability of exclusive deals to evoke more positive responses than inclusive deals. Find that deal exclusivity effects are tempered by “the extent to which recipients identify with other deal recipients” and are “mediated by the offer’s ability to enable the recipient to engage in self-enhancement” (p78).
Tynan, McKecnie, and Chhuon	2010	Luxury Goods	The ways in which consumers co-create value with luxury brands is discussed. Among several types of value discussed, luxury goods can express social (outer-directed) and personal (inner directed) identity. The literature review states that defining luxury and luxury brands is difficult, but points out that exclusivity is important for luxury brands.
Aggarwal, Jun, and Huh	2011	Scarcity	Limited Time Scarcity (LTS) and Limited Quantity Scarcity (LQS) are the basic types of scarcity messages. LQS messages are more effective, especially when symbolic brands (which usually appeal to hedonic needs, self-image, self-concept, or self-enhancement) are involved.
Dekimpe, Gielens, Raju, and Thomas	2011	Product Assortment Strategy	Discuss product assortment decisions. Private label brands and exclusively distributed brands are becoming more common. An exclusive distribution strategy, especially for convenience goods, goes against “conventional wisdom,” but can be successful. Strategic assortment decisions can have wide-ranging effects on retailers and manufacturers.

Table 1 (Continued)

Grewal, Ailawadi, Gauri, Hall, Kopalle, and Robertson	2011	Innovations in pricing & promotions	Recent innovations in pricing and promotion are discussed in the context of customer targeting, traditional price and promotion models, and promotional design. Exclusivity (e.g. invitation only deals) is considered an emerging type of promotion.
Hudders	2012	Luxury Goods	Discusses consumers' purchase motives for luxury goods. Points out that the expressive motives for purchasing luxury goods have received the most attention, but finds that impressive motives are generally more important purchase motivations.
Sorescu, Frambach, Singh, Rangaswamy, and Bridges	2011	Innovative Retail Models	They propose six innovative design themes in retail business models. These designs are based on real-world retailer strategies and behaviors. Leveraging exclusive products is discussed as an innovative way to implement one of the strategies. These retail design models have not been thoroughly researched.

Exclusivity Defined

Thus, from relatively inexpensive items such as DVD's and Blu-rays to expensive items such as luxury goods, the term "exclusive" seems to encompass an extremely broad spectrum of products. However, some elements are common to connotations of "exclusivity" in a marketing context. Perhaps, chief among these is the perception of scarcity. Whether through retail distribution, as in the case of AREPs, or difficulty in acquiring the money to purchase an item, as is often the case with luxury goods, exclusivity carries the common theme that a product is somewhat more difficult to acquire than it would be if it were non-exclusive. Thus, the author suggests the following definition for the term "exclusive" within a consumer behavior context:

Exclusive: The perception, whether due to explicit advertising or implicit understanding, such as with luxury goods, that one's capacity to acquire a product

is limited. This limitation may be due to a variety of factors, including but not limited to distribution restrictions (e.g. regional, channel, contractual, governmental etc.), expense, scarcity (real or perceived), or social restrictions. Often, the idea of an “exclusive” product or service carries a positive connotation.

With this definition in mind, and the forms of exclusivity discussed throughout Chapter 2, a typology of exclusivity is presented. Please note that some forms of exclusivity are extremely similar to others. For example, private label brands, franchise brands, and manufacturer brands are all exclusive in their distribution because they are protected by trademarks and other legal remedies. However, the owner of an intellectual property has a variety of ways in which they may choose to distribute a product or brand. In some cases, the types of exclusivity may overlap.

Also, rather than discuss exclusivity as “advertised” or “unadvertised,” the typology discusses exclusivity from the perspective of “implicit” or “explicit” exclusivity [Table 2]. For implicitly exclusive items, such as luxury goods, these more precise terms give a better indication of the product’s connotation than simply saying that the product is “unadvertised.”

Table 2

A Typology of "Exclusivity"

Implicit or Explicit?	Description	Example	Associated Strategy
Implicit Exclusivity (due to trademarks, patent laws, etc.)	Private Label Brands: (retailing definition) A brand name or label name attached to or used in the marketing of a product other than by the product manufacturers; usually by a retailer. If owned by the retailer, these are commonly called "store brands."	"Sam's Choice" products are exclusive to Wal-Mart owned business entities.	Price Competition
	Franchise Brands; products are distributed through exclusive contracts with franchise licensees that meet certain qualifications.	Only McDonald's franchises can sell "McNuggets"	Price Competition; Customer Lock-in
	Wholesaler Exclusivity; a wholesaler controls the distribution of a product or brand.	Under Michigan law, beer wholesalers are granted exclusive distribution rights to sell beer produced out of state (Michigan Department of Licensing & Regulatory Affairs, 2012).	May vary, depending upon the franchise
	Manufacturer Exclusivity; a manufacturer controls the production and distribution of its products; often similar to franchise exclusivity.	Ford Motor Co. exclusively owns the Ford brand, manufactures Ford vehicles, and controls their distribution.	Customer Lock-in
Implicit Exclusivity (due to the unique nature of the product)	Implied Exclusivity: Luxury brands/products; the price, promotion, quality, brand history, or perceived scarcity imply "exclusivity" to the consumer.	Gucci	Build brand prestige; Prestige Pricing
	Disguised Exclusivity: Retailers have contractually exclusive versions of a product that are unavailable elsewhere. These products are not advertised or labeled as "exclusive." Typically, they have fewer features or a cheaper price than comparable products models available elsewhere.	Samsung televisions sold at Wal-Mart sometimes have unique UPC codes. At a glance, they may appear identical to more expensive Samsung televisions at other retailers. However, upon closer inspection, they often have slightly diminished feature sets.	Price competition and avoidance of price-matching guarantees.
Either Implicit or Explicit Exclusivity	Channel Exclusivity; A product is only distributed through a single channel, sometimes through a single firm.	Jerry Seinfeld's web-only tv series, "Comedians in Cars Getting Coffee"	Customer Lock-in
	Regional Exclusivity; Products are exclusive to one geographic region. This may be due to supply constraints, distribution difficulties, legal reasons, differing regional market needs, or a wide variety of other business concerns.	In 2015, Ford plans to launch the Vignale line of luxury vehicles in Europe. This line is designed for the European market and is not planned for sale in North America.	May vary, depending on the type of product and competitive environment.

Table 2 (Continued)

Explicit Exclusivity	Timed Exclusivity: Retailers or service providers gain contractually exclusive rights to distribute a product, brand or service for a specified period of time.	The Apple iPhone was exclusive to AT&T stores upon its launch.	Customer Lock-in
	Retailer Exclusive Versions of Products (Explicit): Retailers have contractually exclusive versions of a product that are unavailable elsewhere. These products are advertised or labeled as retailer “exclusive.”	Exclusive versions of dvd’s/Blu-rays; a wide variety of other low to moderately priced products ²	Customer Lock-in

Value Perceptions

In their discussion of consumer choice between hedonic and utilitarian goods, Dhar and Wertenbroch (2000) assert that utilitarian and hedonic motives drive all consumer choice considerations. Citing Hirschman & Holbrook (1982), they describe hedonic goods as those whose consumption motives are associated with “an affective and sensory experience of aesthetic or sensual pleasure, fantasy, and fun” (p61). Furthermore, Dhar and Wertenbroch (2000) refer to Strahilevitz & Loewenstein (1998) and suggest that utilitarian goods are “ones whose consumption is more cognitively driven, instrumental, and goal oriented and accomplishes a functional or practical task” (p61). Upon further review of the literature (Bazerman et al. 1998), Dhar and Wertenbroch suggest that “affective preferences” are “wants” and “cognitive or reasoned preferences” are “shoulds” (p61).

That is, items high in hedonic value are “wants”, and items high in utilitarian value are “shoulds.” In general terms, consumers may “want” to buy some items because they gain some emotional value, and consumers may purchase other items because they need, or “should”, buy the product for some practical reason. While many items may

² See Figure 4 for a full page of examples.

offer both hedonic and utilitarian value, a tradeoff between hedonic value and utilitarian value may occur depending on the “choice task” (Dhar & Wertenbroch 2000 p61). However, value may be perceived in a variety of ways.

For example, Zeithaml’s (1988, 13) well-known work on value offers four broad categories: “(1) value is low price, (2) value is whatever I want in a product, (3) value is the quality I get for the price I pay, and (4) value is what I get for what I give.” In most circumstances value was a “highly personal and idiosyncratic” idea, and in addition to the value factors, consumers may factor concerns such as store proximity, time spent shopping, or service speed into their perceptions of value (Zeithaml 1988, 14-15). Such factors can even override the importance of price. Notably, Zeithaml’s discussion of value most often focuses on practical, utilitarian concerns, rather than hedonic, emotional interpretations of value, which will be discussed later.

With these categories in mind, exclusive items offer a variety of ways to enhance a product’s value. The clearest example of added value would be in the volume of additional, unique content and footage found in entertainment products such as Blu-rays and DVDs. For example, 45 minutes of additional “behind the scenes footage” presents a quantifiable amount of running time for the consumer to use as a basis for comparison to other non-exclusive version of the product. Exclusive product packaging or exclusive colors, too, may offer the perception of a higher quality product. While a cursory examination of exclusive product prices appear to be less vulnerable to discounting (in accordance with the exclusive value principle, commodity pricing, prestige pricing, etc), this does not mean that retailers are not able to offer value-based pricing.

However, a broad sampling of the AREPs indicates that their appeal is more often hedonic than practical in nature. They usually have a strong hedonic element. Indeed, their hedonic appeal may be key in retailers' ability to price them at a premium (Dhar & Wertenbroch 2000). For example, in Dhar and Wertenbroch's work (2000) owners of "hedonic cars" valued their vehicles more than owners of "utilitarian cars." In addition to the appeal of prestige and/or uniqueness associated with exclusivity, most obvious with luxury goods, consumers may gain emotional satisfaction through having unique products or colors that may appeal to their individual tastes. For example, Harry Potter fans may find more happiness in buying the Harry Potter DVD with the most additional content. Individuals who prefer specific colors may gain additional hedonic value from purchasing a retailer exclusive color of hair iron (Figure 4) that reflects their personality. Neon headphones or even unique colors of vacuum cleaners (Figure 4) may fit these needs. Or, consumers who prefer an independent self-construal may gain hedonic value by buying products that appeal to their need for uniqueness. Regardless, the hedonic appeal of AREPs may increase the "want" aspect of the product. The tradeoff of getting a product that has more features, even if those features are only superficial in nature, that they "want", may lessen the utilitarian and value-conscious desire to buy a cheaper product and save money.

Attitude Toward Shopping/Value in the Shopping Experience

Exclusive goods may also offer greater enjoyment in the shopping experience itself, as a unique assortment can give a retailer a unique image. Babin et al. (1994) cite Fischer and Arnold's (1990, 334) work that some consumers may be attracted to unique retailers that don't represent "a run of the mill kind of store." That is, their attitude

toward shopping at a retailer may be enhanced if the retailer is perceived as unique. And, the merchandise within a retail establishment has long been held as an attribute of store image (Lindquist 1974). The hunt for bargains and unique items may also increase hedonic value in the shopping experience and make exclusive products and their corresponding retailers more attractive. Some may see the hunt for bargains as an enjoyable experience (Babin et al. 1994), and if the price, utilitarian, or hedonic benefits of an exclusive item add enough additional value, then such products could appeal to the “bargain hunter” (value conscious consumer) or even consumers who simply have a high need for uniqueness and appreciate unique products. Value conscious consumers may see buying plainly labeled “retailer exclusive” products with additional features as getting more value for their money, even if the price is slightly higher. After all, price, quality, and value perceptions do play a role in purchase intentions (Dodds et al. 1991; Grewal et al. 1998_a; Grewal et al. 1998_b). Still, the purposes of AREPs are to counter price competition, increase foot traffic, deter consumer searches for better prices, so enjoyment in the shopping process or happiness from visiting a specific retailer would seem to be secondary, rather than primary benefits of seeking out AREPs.

In recent years, ideas such as the cocreation of value and value-in-use have become influential, particularly in the formation of Vargo and Lusch’s (2004, 2008) Service-Dominant Logic (SDL). SDL holds that “value is perceived and determined by the consumer on the basis of ‘value in use’” (Vargo & Lusch 2004, 7). In other words, in SDL consumers cocreate value at the time of consumption, where preexisting views of goods and services saw value as embedded in output (such as a product leaving the factory floor). SDL represents a shift in marketing paradigms from a goods and services

logic to a service orientation in which even physical goods are viewed through the prism of the service they provide. For example, a bottle of soft drink provides the service of storing the drink until a consumer is ready to drink it. Value would be perceived by the consumer and cocreated with the consumer at the time of consumption. Thus, SDL focuses on value creation during the consumption process. In this framework, AREPs would constitute operant resources, or transmitters of embedded knowledge, which must be acted upon by other operant resources (e.g. consumers) to create value-in-use.

Attitudes Toward Product Category

However, while SDL, value cocreation, value-in-use, and other conceptions of value are common in marketing literature, this dissertation primarily examines hedonic and utilitarian value in the context of pre-purchase attitudes and appeals that influence purchase decisions. Therefore, perhaps the most relevant conceptualization of hedonic and utilitarian values for this dissertation would be general measures of attitudes towards the product category or brand.

Voss et al. (2003), building on prior work by Batra and Ahtola (1990), define consumer hedonic and utilitarian attitudes as related, but separate dimensions. The hedonic dimension results “from *sensations* derived from the experience of using products,” while the utilitarian dimension comes “from *functions* performed by products” [emphasis in original] (p310). They point out that these measures greatly assist in examining the success of advertising that emphasizes “experiential or functional positioning strategies” (p310). Since AREPs’ appeals seem primarily based on enhancing the hedonic dimension, hedonic attitudes towards the product category could mediate an ad’s effect on purchase intention and the highest amount that a consumer might be

willing to pay. It is unclear what role, if any, utilitarian attitudes would play in consumers' attitudes towards an AREP. While some AREPs are more utilitarian than others (e.g. a vacuum cleaner vs. a Blu-ray), the emphasis is typically on hedonic aspects of those goods (e.g. the color of the vacuum cleaner).

While value has been the topic of much discussion in the marketing literature, perhaps the best approach to AREPs' value is to consider the purposes for which they are typically created. AREPs are usually intended to alter consumers' perceptions of value in such a manner that competitively priced, similar items are less appealing, or to increase store traffic. Value consciousness seems to be the most appropriate way to measure this sentiment. While some items have a strictly hedonic component that is only available at an exclusive retailer (e.g. neon colored headphones), some items also have additional utilitarian features. In the presence of a behavioral model, value consciousness (price/quality) and general utilitarian and hedonic attitudes perhaps best serve as behavioral indicators. Even then, utilitarian value would seem to play a lesser role in consumer decision making because the appeal of most AREPs appears to be enhanced hedonic value.

Labeling and Packaging as Advertising

The exclusive nature of AREPs is often noted in traditional mass media advertisements as well as clearly labeled as "exclusive" on the product packaging. However, most literature on product labeling discusses labels used for educational purposes. For example, Roberto et al. (2010) discuss the educational effects of menu and food packaging calorie counts, and Beltramini (1988) considers warning labels on cigarettes. Such labels are often government mandated and in most circumstances would

not qualify as a form of promotion. Also, such labels are often printed onto product packaging, whereas AREPs are often labeled using a separate sticker, not originally part of the physical package.

Broadening the literature base from simple “labeling” literature to packaging as a form of advertising promotion also yields sparse results. Ampuero and Vila (2006, 102) explain: “little work has been done to discover the role of packaging in forming consumer perceptions of a product, and consequently, in defining its positioning in consumers’ minds. The reason for this lies in the fact that, traditionally, studies have focused on positioning through ephemeral messages transmitted by the mass media, without taking into account the permanent character of the tangible codes that the packaging transmits.”

Yet, evidence indicates that packaging can be influential on perceptions of product image (McDaniel & Baker 1977), can influence positive opinion of a product (Schoormans & Robben, 1997), and can influence purchase decision (Piloitch 1972). Piloitch (1972) even referred to packaging as “the silent salesman.” And, prior to sale, packaging often represents the final chance to influence consumers’ decision making, because much like mass media advertising, packages on store shelves carry a message to consumers (McDaniel & Baker 1977). Still, these articles typically focus on the design of the package itself, such as whether or not to use wax or polyvinyl potato chip bags (McDaniel & Baker 1977), rather than on promotional labels attached to the product after production. While “treating the product packaging as a point-of-purchase advertising vehicle as well as a physical container” is not a new concept (Schwartz 1975; Piloitch 1972), the trend of consistently labeling product packages with “exclusive” stickers is a

recent trend, apparently brought about by consumer showrooming and a competitive price environment.

As a form of intrinsic or extrinsic advertising, packaging has been difficult to classify since it may be part of some products (e.g. a soft-drink bottle) while temporary and disposable for other products (e.g. a television) (Zeithaml 1988). Exclusivity labeling would qualify as an extrinsic form of advertising as it is typically not part of the product itself, but may be stuck on the packaging. While the influence of packaging has been discussed for decades (Piloitch 1972; Schwartz 1971, 1975), it has steadily grown in importance (Rettie and Brewer 2000).

Overall, while exclusivity labeling does seem to fit with the notion of packaging-as-advertising in many cases, much of the packaging literature does not fit with the concept of labeled AREPs because the label is applied to the package after production. As discussed previously, most packaging literature discusses the design of the package itself, not labels, stickers, or advertisements applied post-production.

Furthermore, in regards to advertising and promotion, many AREPs are essentially timed exclusives or limited edition products, yet they are rarely advertised as such. Advertising products as “limited edition” could leave open the idea that other retailers may also be carrying the “limited edition”, so the connotation of retailer exclusivity is superior. Instead of “limited edition” labeling, some products will simply state “offer valid while supplies last” in small print on the exclusivity label or state nothing about the availability of the product other than that it is simply “exclusive” to the retailer. Indeed, the Target exclusive version of “Harry Potter and the Deathly Hallows Part 2” Blu-ray [Figure 2] featured such language in small print, but as of this writing, it

is no longer available on the Target website, although the non-exclusive version is available.

And, the notion of “timed” exclusivity is rarely advertised because consumers could simply wait for the exclusivity window to end and seek out the best price. Instead such products are simply advertised as “exclusive” during their contractual exclusivity window. The product packages would rarely be labeled in this case as removing the labels would be burdensome and could appear as false advertising should they remain on a product package beyond the exclusivity window.

Also, much like sales promotions, advertised exclusivity may be used to increase foot traffic in the store over a brief period of time. For example, Wal-Mart, Best Buy, and Target all used “Only at” and retailer “Exclusive” labels for exclusive products in their “Black Friday” sales papers, but such labels can also routinely be found in regular sales papers and increasingly in television ads. Target, for example, has advertised exclusive versions of Taylor Swift albums and Beats by Dre headphones on television, and Best Buy recently advertised the timed exclusive Beats Earbuds by Dre during the 2013 NBA Finals. However, unlike price promotions, AREPs are rarely accompanied by discounts. While there are no statistics available on prices of exclusive offers, anecdotal evidence suggests that they tend to be higher priced than non-exclusive offers. For example, as mentioned previously, an exclusive products strategy is often meant to counter “showrooming” behavior and specifically counter lower prices found at online retailers (Zimmerman_a 2012; Zimmerman_b 2012; Zacks Equity Research 2013; Pamar 2010). Instead of the lowest price, the exclusivity – the availability of a unique product perceived as “scarce” at other retailers - *is* the promotion. Simply put, AREPs serve as

promotional tools, but their appeal is in their exclusivity, not price. Timed exclusives and new products, in particular, are rarely discounted.

In summary, AREPs may be labeled as exclusive on their product packaging and are routinely advertised as exclusive in traditional media advertisements. Also, the production and promotion of AREPs appears to be initiated specifically by retailers, rather than manufacturers.

Advertising Skepticism and Attitude Toward the Ad

Overall, while packaging can influence consumer impressions of quality, prestige, and purchase intention, few, if any articles specifically address the effect of labeling as a form of promotion, and research into “exclusive” labels are even scarcer. Unlike most prior examinations of packaging which tends to focus on the design elements of the package itself, exclusive labels are often “stuck” on the product package. If viewed as an advertising promotion, these labels, like the product packaging, present one of the last messages that a consumer receives before purchase. Thus, consumers’ attitude toward this message would likely be important in his/her purchase decision. Hence, the questions arise: Do consumers’ view “exclusive” labels as trustworthy? Or do they meet such a label with skepticism? Their attitude towards advertising in general would likely moderate how such labels are received.

Obermiller and Spangenberg (1998, 160) define “skepticism toward advertising” (ad skepticism) as “the tendency toward disbelief of advertising claims.” They consider advertising to be “paid nonpersonal commercial communication” and ad skepticism a “stable, generalizable marketplace belief” (p160) and worked to create a skepticism toward advertising scale (2000). Calfee and Ringold’s (1994) earlier work supported the

idea that beyond the individual, ad skepticism has been a long-held view by the public. They examined 60 years of survey data and found that approximately 70% of consumers were consistently skeptical of advertising claims over time. Calfee and Ringold also found that consumers were well-aware of advertising's attempt to persuade, even when the consumer considered the product an unnecessary purchase. Consumers similarly identified exaggeration as a common problem in advertising and favored stronger regulation of advertising. However, consumers in the same study found that advertising was informative and that overall advertising's "benefits outweigh its deficits" (p228). Overall, considering the prominence of ad skepticism, Obermiller and Spangenberg (2005, 7) suggest that consumers may simply "discount messages recognized as ads" before they even begin to mentally process the message contained. In other words, they may simply ignore messages perceived as ads, and even if the ad message is processed, most consumers are prone to view the message with skepticism. While other potential reasons for ad skepticism are discussed later, consumers may simply avoid processing ad information as an energy saving technique.

While a general, consistent attitude of advertising skepticism seems prominent in past research, advertising skepticism can vary by product category. For example, in the early 1970's, Nelson (1970, 1974) and Darby and Karni (1973) discuss three ways in which brands or goods may be classified according to the type of qualities they have. These broad categories were: 1) search qualities, which "describe those qualities of a brand that the consumer can determine by inspection prior to purchase", 2) experience qualities, which "refer to those [qualities] that cannot be determined prior to purchase" and 3) credence qualities, which "the average consumer can never know the level of

quality of an attribute possessed by a brand or even their level of need for the quality supplied by the brand” due to lack of technical expertise about the product (Ford et al. 1990, 434). Of these categories, Ford et al. (1990) found that advertising for “experience goods” were seen with more skepticism than advertisements for search goods, which demonstrated the least amount of advertising claim skepticism. This finding was especially true of ads for low-priced experience goods. Credence based claims, too, were seen with more skepticism than search claims. Since experience and credence claims make up 65% of advertising assertions (Ford et al. 1988), Ford et al.’s (1990) work is consistent with Calfee and Ringold’s (1994) assertion that a clear majority of consumers are skeptical about advertising claims.

Further research suggests that consumers are generally less skeptical of objective ad claims than of subjective ad claims (Ford et al. 1990), but that skeptical consumers tend to be more swayed by emotional appeals than informational claims (Obermiller et al. 2005, Friestad and Wright 1994). However, in addition to emotional appeals, skeptical consumers were more responsive to product ads for products in which they demonstrated high involvement (Obermiller et al. 2005). In other words, the design and information conveyed in a specific ad can affect consumers’ levels of ad skepticism, as well as affect their general attitude towards the ad. Generally, a variety of factors can play into a consumer’s level of ad skepticism. These factors include the attitude towards the advertiser, the ad, or the retailer, brand-related beliefs, age, product involvement, education level, personality traits, demographics and lifestyle (Obermiller et al. 2005). Ad medium can also play a role in skepticism for some consumers, but overall,

advertising skepticism tends to be a “tendency toward disbelief of advertising claims” in general (Obermiller and Spangenberg 1998, 160).

Perhaps the most widely known framework of consumer persuasion comes from Friestad and Wright’s (1994) Persuasion Knowledge Model (PKM). Per the PKM, consumers tend to rely on three types of knowledge when processing persuasive appeals. These types include: 1) persuasion knowledge, or a consumer’s knowledge about and ability to recognize, interpret, and evaluate persuasion attempts; 2) agent knowledge, “which consists of beliefs about the traits, competencies, and goals of the persuasion agent (e.g. an advertiser, a salesperson); and (3) topic knowledge, which consists of beliefs about the topic of the message (e.g. a product, service, social cause, or candidate)” (Friestad and Wright 1994, 3). This body of knowledge develops as a person ages and comes from a variety of sources such as life experience and cultural “folk models”, which can change from generation to generation (Friestad and Wright 1994). As Friestad and Wright (1994) point out, culture can provide “both consumers and marketers with what is called ‘common sense’ about selling and advertising” (p7) and individual life experiences (e.g. experience with advertising over time, education, etc) may add to that knowledge. Therefore, as consumers age, persuasion knowledge and ad skepticism tend to increase (Obermiller and Spangenberg 1998). However, eventually, a high level of persuasion knowledge should result in a decrease in ad skepticism. Increasing self-confidence in decision making and the increased ability to “use and trust ad claims” should decrease ad skepticism (Obermiller and Spangenberg 1998, 174). Simply put, ad skepticism likely decreases in importance over time because increasing levels of persuasion knowledge,

experience, and self-confidence in decision making allow for more informed and self-assured decisions.

The PKM draws from both the Elaboration Likelihood Model (ELM) (Petty et al. 1983) and the Heuristics-Systematic Model (HSM) (Chaiken 1980) models of attitude attainment and change, but adds the notion that consumer knowledge grows over time. While the original article (Friestad and Wright 1994) focuses primarily on how consumers cope with advertisements, the full model (Figure 6) does consider the advertising agent, the target (typically the consumer, or “those people for whom a persuasion attempt is intended” p2), and the interaction between the two. Overall, the model suggests that agents draw from three knowledge bases (topic knowledge, persuasion knowledge, and target knowledge) to produce a persuasion attempt, and the target draws from three knowledge bases (topic knowledge, persuasion knowledge, and agent knowledge) to cope with the persuasion attempt.

Perhaps most relevant of the three knowledge types in this examination of AREPs is agent (i.e. consumer) knowledge. With each AREP, a specific retailer is the advertiser and carrier of the product. The exclusive nature and additional benefits of the product are closely tied to the retailer selling the product. Where non-AREPs might be advertised and sold by a variety of retailers, an AREP is clearly associated with a specific agent, and therefore, consumers’ opinions of that agent likely play a stronger role in the ad’s persuasive ability. Similarly, if a consumer holds negative beliefs about the advertiser/retailer, then ad skepticism may also increase (Obermiller et al. 2005).

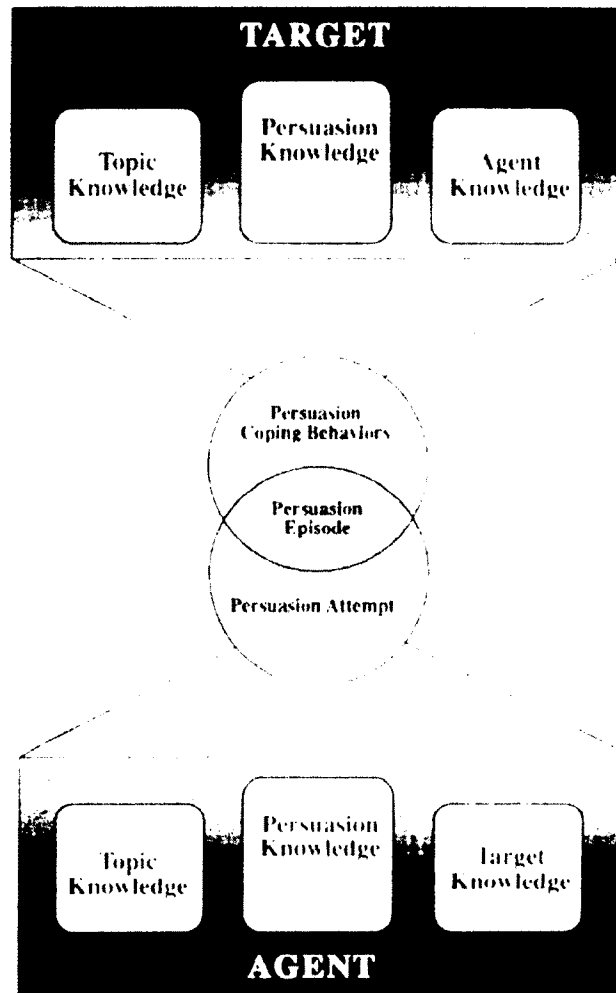


Figure 6 *The Persuasion Knowledge Model (Friestad and Wright 1994)*

Even without the context of an ad, store name can give consumers a large amount of information. Store name is a cue to the retailer image, service, and merchandise quality (Grewal et al. 1998).

Overall, numerous factors can play a role in leading to ad skepticism. Thus, rather than focusing on the causes of ad skepticism, simply measuring it as a general attitude would likely be the most efficient method for determining its relationship with how consumers process “exclusivity” promotions. Since a retail firm’s name is typically advertised in conjunction with an AREP, determining consumers’ attitudes toward that

advertiser/retailer would also be advisable. Ad skepticism would be related to persuasion knowledge, and retailer/advertiser image would be related to agent knowledge. Hence, measuring ad skepticism and advertiser image would be consistent with the PKM's approach to persuasion.

Reference Prices and Exclusivity

An important element of AREPs as a competitive strategy is in their potential to counter price competition. Therefore, an examination of reference price models and a discussion about how AREPs theoretically affect such models is appropriate. Also, in addition to the preceding discussion, an examination of reference price models will provide a partial basis for the forthcoming behavioral model.

Figure 7 and Figure 8 present two reference price models. Figure 7 is Urbany et al.'s (1988) reference price model, which gives "direct patronage" as an outcome, and the second is Alford and Engelland's (2000) model, which modifies Urbany et al.'s work. Alford and Engelland, rather than carrying the model through to direct patronage, which might better be called "purchase intention" in modern terminology, focus on advertised retail and sale prices effects on internal reference price shifts. However, AREPs attempt to change consumer behavior and perception of pricing by altering these models in a variety of ways.

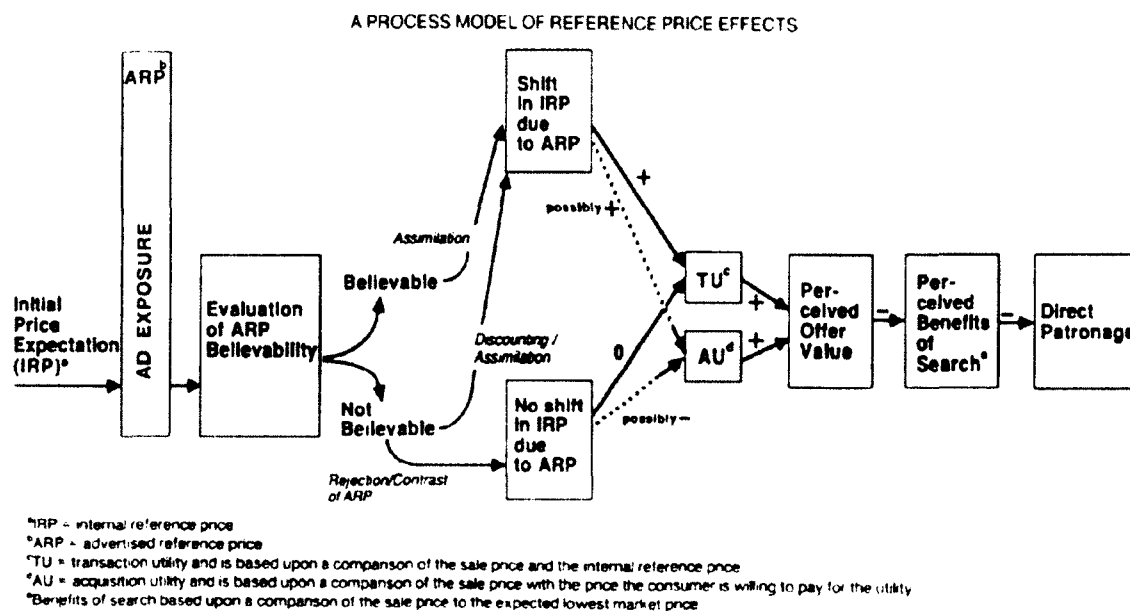


Figure 7 Urbany et al.'s (1988) Model of Reference Price Effects

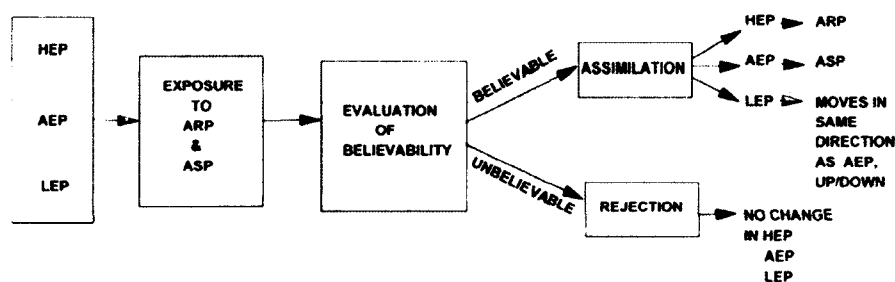


Figure 1. Framework for shifts in internal reference price (based on Urbany et al.'s (1988a) process model of reference price effects). HEP = Highest Expected Price, AEP = Average Expected Price, LEP = Lowest Expected Price, ARP = Advertised Reference Price, ASP = Advertised Sale Price.

Figure 8 Alford & Engelland's (2000) Process Model of Reference Price Effects

First, the promotional strategy of offering an exclusive product limits the benefits of additional search. Searching for an identical AREP at multiple retailers would be pointless. However, similar, but non-exclusive versions of the same products may be offered at multiple retailers [Figure 3]. For example, mass produced copies of a Blu-ray would be available at many retailers, but they may lack all the features of an AREP which is only sold through a specific retail chain. Therefore, price comparisons can be

made, but they would not be direct comparisons of the same product. They would be comparisons of *similar* products. Thus, AREPs are intended to lower the benefits of additional search, particularly for lower priced products (Zimmerman_a 2012; Zimmerman_b 2012). They may do this by creating a new class of products in consumers' minds.

For example, if prestige goods can be seen as existing on a continuum where luxury represents the highest form of prestige (Vigneron & Johnson 1999), then AREPs may fall on the high end of a similar continuum for mass produced goods, where some brands are seen as having higher quality or higher status than others (Vigneron and Johnson 1999). The retailer exclusive branded version of a product may be seen as a higher quality version of a widely distributed non-retailer exclusive version. Yet, like the notions of prestige and luxury, what constitutes a high-end mass-produced brand or product is subjective and may greatly vary from individual to individual and from product to product. Alternatively, the simple notion that an AREP is scarce may differentiate it enough to be perceived differently from similar products.

In addition to negating the benefits of additional search, AREPs attempt to increase the believability of higher prices. If the added value of an exclusive item is found worthwhile, this may encourage purchase. This line of thought is in line with Groth and McDaniel's (1993) "exclusive value principle", which states that exclusive features can be a basis for prestige pricing. In this way, "exclusivity" advertising may prime consumers to find higher pricing more acceptable. For example, in Alford and Engelland's model, the notion of exclusivity may cause consumers to load the Highest Expected Price (HEP) rather than an average or low expected price [Figure 8].

As previously discussed in more detail, the perception of fairness with higher pricing may also be achievable through the benefits of added features, quality, and value (hedonic or utilitarian) effects. And, generally, the notion of exclusivity adds an extra element for consumers to process, which may lessen the importance of price or take time away from the processing of price information. As mentioned earlier, this occurrence would be in line with Petty et al.'s (1983) ELM model. If exclusivity successfully causes consumers to think more deeply about their purchase decision, it may encourage central route elaboration and change purchase attitude or attitude toward price. While the peripheral route to attitude change relies on various environmental cues and simple inferences, the central route relies on more involved processing of information or "diligent consideration" of the facts at hand (Petty et al. 1983). Since research has shown that consumers with high price consciousness also have higher search intention (Alford and Biswas 2002), increased processing and the potential lessening of the influence of price cues (e.g. price tags) could also lessen the need for more search. Thus, in a variety of ways "exclusivity" promotions attempt to moderate the effect of price information.

However, for an "exclusivity effect" to function, it is likely that consumers must perceive and trust that the product really is exclusive and that the exclusive features add value. Therefore, the consumers must not only find the advertised retail price to be believable or not, they must also perceive the advertised exclusivity, and its additional utilitarian and/or hedonic value, as believable. Therefore, in Figure 7 and in the forthcoming behavioral model, ad skepticism is thought to moderate the effects of advertised exclusivity.

Based on Alford and Engelland's (2000) model, the effect of advertised exclusivity on reference prices is modeled in Figure 9. Since no identical product is available at other retailers, the initial expected prices would be based on prices from the product category. However, instead of assimilating the new reference price information and giving a new range of expected reference prices as an outcome, Figure 7 gives increased acceptance of the high expected price of an item. Simply put, if the advertised exclusivity is believable, then customers will find the higher expected price as more reasonable. If the exclusivity promotion is not trustworthy, then consumers will not change their acceptance of any expected price level.

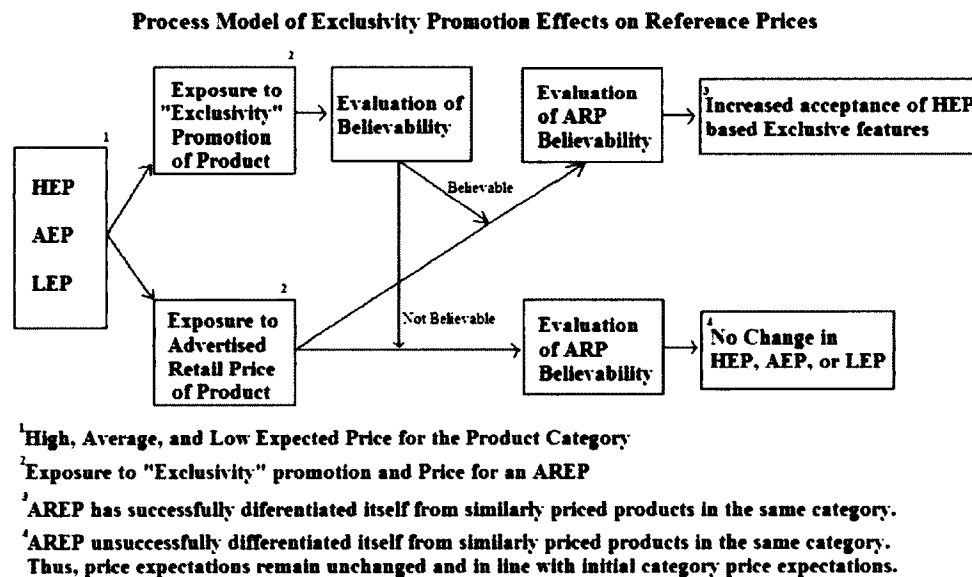


Figure 9 *Process Model of Exclusivity Promotion Effects on References Prices*

In the extended Urbany et al. (1988) model, an effective exclusivity promotion would also increase the perceived offer value, decrease the benefits of additional search, and increase the likelihood of direct patronage (or purchase intention). The perceived offer value would be heightened for reasons discussed through this dissertation, the

benefits of additional search would be negated as identical products would be unavailable at other retailers, and direct patronage or purchase intention would be increased. These effects are demonstrated in Figure 10, which is a modification of Urbany et al.'s model [Figure 7].

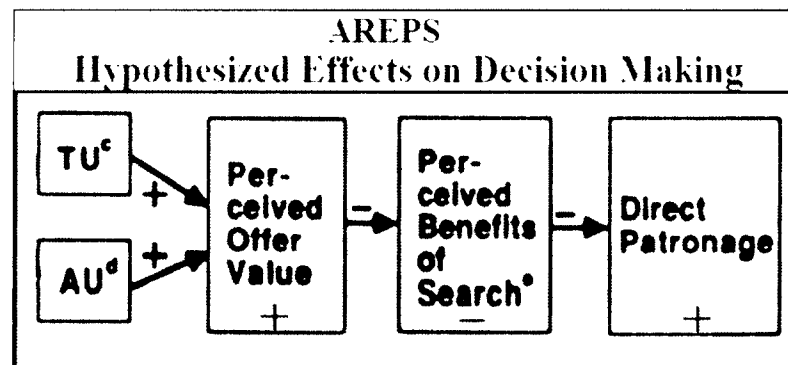


Figure 10 *AREPs Hypothesized Effects on Decision Making*

In summary, AREPs are meant to deter the effects of price competition, particularly from the internet, as well as encourage customer lock-in (i.e. keeping the customer from buying elsewhere). If the exclusive value proposition proposed by a firm is believable, then consumers may be willing to pay more and search less. Rather than allowing an easy contrast or assimilation of preexisting reference price reference price information, Urbany et al. (1988) and Alford and Engelland (2000) discuss, an exclusive promotion attempts to modify the effect of hedonic, and sometimes utilitarian, value propositions offered by a product.

Transaction-Utility Theory

Although AREPs and the notion of exclusivity may or may not affect reference prices in a variety of ways, Thaler's Transaction-Utility theory, which lies at the core of Urbany et al.'s (1988) reference price model, can be applied much more broadly to the

notion of exclusivity. Urbany et al. (1988) summarize Transaction-Utility theory as involving, the actual price of the product, the consumer's internal reference price, and the "customers perceived merits of a deal after purchasing the product" (Urbany et al. 1988 p. 97, Thaler 1985). The theory, which has its origins in Thaler's well-known "Mental Accounting" article (1983) and was more fully developed in "Mental Accounting and Consumer Choice," (1985) considers how consumers mentally code financial transactions. In his work, Thaler (1985) suggests that two types of utility may be considered during the consumer purchase process: 1. transaction utility and 2. acquisition utility.

Thaler defines transaction utility as "the pleasure (or displeasure) associated with the financial terms of the deal per se. It is a function of the difference between the selling price and the reference price" (Thaler 1983, p. 230). Years later, he summarized transaction utility as a measure of "the perceived value of the 'deal'" (Thaler 1999, p. 189). For example, getting a "great deal" might be described as the existence of a "high" reference price coupled with a "low" selling price. In other words, the consumer paid a lot less than they expected, so the transaction would be perceived as a "great deal."

Meanwhile, Thaler describes acquisition utility as "the economic gain or loss from the transaction" (Thaler 1983, p. 230). To measure the economic gain or loss, Thaler recommends using theoretical "value equivalent" and "reference price" constructs. The "value equivalent" is the "amount of cash the individual needs to make him/her indifferent between receiving the cash or [the product]" (Thaler 1983, p. 230). And, the "reference price" construct is simply the "amount of money the individual expects to pay" for the product (Thaler 1983, p. 230). However, as Thaler (1985) would later point

out, his concept of value was too limiting in that it primarily deals with the financial merits of a transaction. As originally stated, both transaction and acquisition utility are grounded in price perceptions.

Thus, one of the key differences between Prospect Theory and traditional economic theory is that Prospect Theory is meant to “describe or predict behavior, not to characterize optimal behavior” (Thaler 1985, p. 200). That is, getting the best deal may be an optimal behavior from a financial perspective, but optimal behavior, from a consumer standpoint, may include numerous non-financial factors. To correct his overemphasis on the economic idea of “utility,” Thaler suggests that the more “psychologically rich” (p. 201) concept of value from Prospect Theory be used to explain consumer decision making (Thaler 1985). In other words, rather than strictly using the financial terms of a purchase as the measure of transaction utility, other framing effects (non-financial framing effects) could be considered using the idea of value contained in Prospect Theory (Kahneman and Tversky 1979).

According to Kahneman and Tversky (1979), Prospect Theory’s value function is “(i) defined on deviations from [a] reference point; (ii) generally concave for gains and commonly convex for losses; (iii) steeper for losses than for gains” (p. 279). A more detailed explanation of these points with examples follows.

First, in Prospect Theory, the primary reference point may not necessarily be financial (although it often is), whereas standard utility theory would typically focus primarily on the changes in wealth levels. This distinction is important because not all purchases are made with optimal financial consequences as the primary goal. As Tversky

and Kahneman (1981, 1986) point out, the “frame” within which a decision is made can greatly alter consumer decision making.

For example, paying \$10 for a beer at a local gas station might seem outrageous to a consumer, but paying \$10 for a beer at a NFL game or rock concert might be expected, and therefore, perceived as an acceptable price. The “frame” that the transaction takes place in, including the environment, the time, and a variety of other factors can alter the transaction utility, or how the deal is viewed.

Second, in Prospect Theory the value function is “concave for gains” and often “convex for losses” (Kahneman and Tversky 1979), suggesting that values framed as a “losses” are weighed more heavily than values weighed as “gains.” However, as Thaler pointed out, “Both the gain and loss functions display diminishing sensitivity” (Thaler 1999, p. 185). For example, consumers are more sensitive to a \$5 change in price when a good is \$10 than when a good is \$1,000. And third, consumers are prone to loss aversion. Thaler described the “influence of loss aversion” as “enormous,” stating that in Prospect Theory “Losing \$100 hurts more than gaining \$100 yields pleasure” (Thaler 1999, p. 185).

Therefore, having found Prospect Theory’s superior, more inclusive value function, Thaler formally integrated it into it into Transaction-Utility Theory (Thaler 1985). This revision by Thaler permitted Transaction-Utility theory to more easily consider non-financial frames of reference and better predict consumer behavior. Also, since transaction utility deals with pleasure (or displeasure), it is often associated with hedonic appeals. To that end, Thaler himself even reviewed Transaction-Utility theory in

light of hedonic framing effects and other contemporary theoretical developments (Thaler 1999).

In modern times, transaction utility has been clearly tied to hedonic motivations. For example, getting a “good deal” has been related to self-enhancement (e.g. pride in oneself for getting the deal) and the “joy-of-winning” phenomenon in which consumers see themselves “winning” the price war against the seller or other consumers (Barone and Roy 2010_a; Schindler 1998). This relationship has also been discussed within the context of exclusive promotions.

For example, the “financial advantage” of an exclusive discount promotion, when compared to a non-exclusive discount offer, did not “necessarily engender positive feelings” (Barone & Roy 2010_a, p. 130). Instead, consumer specific characteristics, such as gender, self-construal, as well as the merits of the offer, including exclusivity, played a role in how consumers perceived an exclusive discount offer. Considering these findings, Barone and Roy (2010_a) suggested that “the relationship between receiving a deal and experiencing positive affect may be more complex than previously believed” (p. 130). Barone and Roy specifically point out that this dynamic may have implications for Transaction-Utility theory.

Thus, Transaction-Utility theory may provide a basis for explaining consumer reactions to exclusive goods. Exclusive products, as discussed previously, may offer the perception of a “good deal” by carrying connotations of scarcity, luxury, or uniqueness which may be more highly sought after by some consumers. For example, a customer who rates high on a need for uniqueness scale may find an “exclusive” product more appealing because the idea of exclusivity adds to the product’s uniqueness, and therefore

helps fulfill the psychological need for a unique self-construal (Barone and Roy 2010_{ab}). This appeal would work on a hedonic basis. This approach to examining exclusivity might be especially useful when studying AREPs, many of which, as discussed in Chapters 1 and 2, offer exclusive appeals that are often primarily hedonic in nature.

Also, some exclusive products, such as DVD's, may give more entertainment content for a similar price. So, the exclusive DVD might offer more value for the money, and therefore, offer a "good deal" based on value perceptions. Furthermore, the additional features often associated with exclusive goods may increase the acquisition utility. Since the exclusive label itself may be viewed as an additional trivial attribute, the "amount" of attributes that a consumer is getting for a specific price may increase by one attribute when compared to a non-exclusive version of the same product.

In summary, since Transaction-Utility theory has been previously related to exclusivity promotions and its underlying theoretical foundations are broad enough to encompass hedonic, utilitarian, and price aspects of exclusive products, it is appropriately suited as a theoretical basis for examining consumer behavior in relation to exclusivity promotions. In particular, this work hopes to extend Barone and Roy's (2010_{ab}) research and further demonstrate under what conditions exclusivity promotions are likely to be successful and when they might best be used. However, where Barone and Roy focused on exclusive discount promotions, this work focuses on exclusive promotions as a more broad form of product promotion in the retail marketplace in accordance with the *Journal of Retailing's* (Sorescu et al. 2011) call for more research into innovative retailing practices.

CHAPTER 3

RESEARCH METHOD

Research Questions

A series of Research Questions better summarizes the aims of this work. The Research Questions are given and discussed below:

- Research Question 1: For retailers, does an exclusive products strategy:
 - a) increase consumer price expectations?
 - b) increase consumer “price-fairness” beliefs?
 - c) increase willingness to pay?
 - d) increase consumer intention to purchase?
 - e) increase consumer Intention-To-Seek out a product at a specific retailer?
 - f) have differing levels of effectiveness among different product categories?
- Research Question 2: How do the following individual traits and general attitudes affect how consumers perceive an exclusive offer relative to the six consumer outcomes (a-f) from Research Question 1?
 - a) need-for-uniqueness
 - b) value consciousness
 - c) sugraphobia
 - d) attitude toward product category

e) attitude toward shopping

f) attitude toward the retailer

- Research Question 3: What effect, if any, do product attributes have on the six consumer outcomes (a-f) from Research Question 1 and do product attributes interact with consumers' perceptions of exclusive offers??

Research Question 1 and its areas of interest are inspired by statements from corporate management about the purposes of exclusive product differentiation strategies. Research Question 1 deals with the practical implications of AREPs as a business strategy and generally deals with behavioral outcomes.

Research Question 2 focuses on consumer motivations. As AREPs are unique products, consumers may use them to fulfill a psychological need-for-uniqueness. Need-for-uniqueness may be an antecedent to behavioral intentions. However, it is unclear how strong of a role need-for-uniqueness plays in influencing behavior, if it influences behavior at all. Alternatively, some consumers may have a low need-for-uniqueness, but may be highly value conscious. They may see AREPs as offering exclusive value, and in this situation, AREPs may appeal on the basis of additional features or attributes. Research Question 2 is derived from the desire to explore consumer motivations for purchasing exclusive items.

To that end, Research Question 2 also examines the role that several other individual attitudes play in influencing the decision making process. This question looks at a broad spectrum of attitudes, but specifically deals with attitude towards the product category, attitude toward the retailer, sugraphobia (the fear of being cheated), attitude toward the retailer, and attitude toward shopping. Such dispositions play a role in many

consumer behaviors, but the way in which these dimensions function in the context of an exclusively advertised product is unknown.

Consumer dispositions and their relevance to exclusivity are discussed in Chapter 2. Therefore, an experiment measuring dispositions and using different products and advertising techniques (exclusive and non-exclusive) will follow. Figure 4 and Appendix A give numerous examples of products or product categories that could be used, and two different product categories are used in the following experiment. Before performing the experiment, three pre-tests were performed to insure that the scales were reliable and that the manipulations worked.

Research Question 3 deals with what role attributes play in exclusivity promotions. As discussed in Chapters 1 and 2, exclusive products, particularly Advertised as Retailer Exclusive products, often have differentiating features that are exclusive to a specific retailer. However, it is unclear if the idea of “exclusivity” in isolation influences consumer behavior, or if the additional attributes play a role in how consumers perceive these products.

Research Design Overview

A series of pre-tests were performed to determine if the scale measurements were reliable and if the experimental manipulations were working correctly. Each pre-test refines or expands on findings in the prior pre-test. In order of execution, the pre-tests are briefly summarized, with more extensive discussion of the pre-tests given later in this chapter.

Pre-Test 1: This experiment examines whether or not the experimental manipulations are working and gives an initial test of scale reliabilities. The

experiment used the entertainment product category (a DVD/Blu-Ray combo pack) and a convenience sample from an internet social network.

Pre-Test 2: Some scale reliabilities were low in Pre-Test 1, and these scales were revised for Pre-Test 2. This data collection yielded updated scale reliabilities, and a new DVD/Blu-Ray ad image was also used. Amazon mTurk provided the sample. A confound identified in the ad image in Pre-Test 1 was also corrected, and the sugraphobia scale (i.e. a proclivity to be distrustful in general) was added.

Pre-Test 3: A second product category, household appliances (a vacuum cleaner ad image) was added to the experimental design to give the results more widespread generalizability by including a mostly utilitarian product. To control for the influence of trivial attributes, an experimental condition testing the effect of exclusivity in the absence of specific attributes was added to the design. The scales were further tested for reliability, and a color-rating scale was added to control for color effects. Minor revisions were also made to the demographic data items. Amazon mTurk was also used in this pre-test.

Main Study: This experimental design is the main design for this work. It is similar to Pre-Test 3, but the cells testing the influencing of trivial attributes were expanded to include the DVD/Blu-Ray condition as well as the Vacuum condition. The demographic data were also updated. A convenience sample of students at a Southern university and an online panel will be used in this experiment.

Pre-Test 1

One of the difficulties in testing exclusive promotion strategies is the wide range of products and wide range of advertisements which feature exclusivity language. Of this wide range of products, which is the most appropriate for use in an experiment? After much consideration, DVD/Blu-ray combo packs, entertainment products, were chosen for use.

Pre-Test 1: Product Choice

DVD/Blu-ray combo packs were chosen for several reasons. First, an examination of the marketplace revealed that exclusivity promotions and exclusivity labeling are quite common with these products. Some films even see multiple “exclusive” versions released. For example, the 2009 Star Trek film released with a non-exclusive version and at least three retailer exclusive versions (Best Buy, Target, and iTunes), including a digital retailer release (an iTunes Extras exclusive version). All the retailer exclusive versions released with slightly different additional content. If exclusive special editions are counted, Amazon and Target also carried exclusive special editions that included replica spaceships (Foresman 2009). Overall, this film saw at least six different versions released, the regular film, three retailer exclusive versions, and two more retailer exclusive special editions. This treatment seems common in the entertainment product category with films such as “The Avengers” (three retailer exclusive versions) and “Django Unchained” (three retailer exclusive versions) series seeing multiple retailer exclusive releases.

Additionally, displays with retailer exclusive Blu-rays and DVD’s are often found near the registers or entryways at national retailers. For example, Figure 11 shows a sales

paper ad advertising the retailer exclusive film “Bridesmaids,” the exclusively labeled product, and a store display near the registers (Blu-ray & DVD Exclusives 2011).

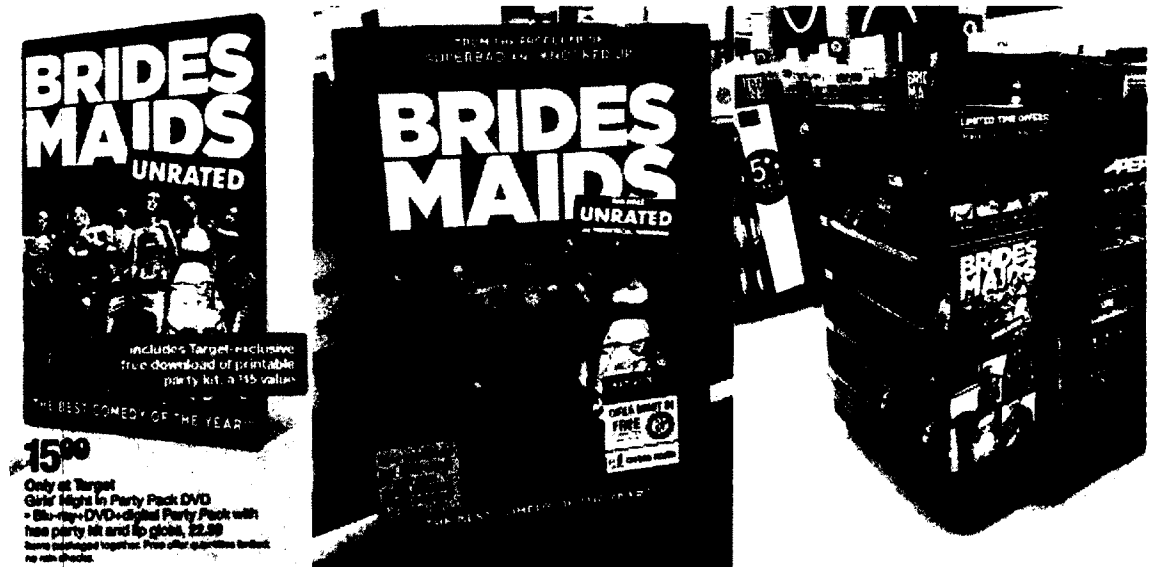


Figure 11 *Bridesmaids*

In fact, the release of exclusive Blu-rays and DVDs has become so common that two blogs attempt to track the release and features available with each exclusive release (Blu-ray & DVD Exclusives 2013; Blu-ray Retailer Exclusives 2014). The blogs track the availability of the Blu-ray or DVD by retailer, tracks the release date, and lists which exclusive features are available at which retailer. The sites even allow a visitor to sort retailer exclusives by retailer.

To further demonstrate the common appearance of exclusive film releases, some films even offer exclusive versions when purchased from digital services such as Xbox Live or iTunes. As mentioned previously, the film “A Very Harold and Kumar Christmas” offered exclusive content on Xbox Live (Xbox Live 2012), and Star Trek offered exclusive content on iTunes. Here, the films have gone from a physical

distribution channel to a digital distribution channel and exclusivity promotions are still common.

A cursory examination of the marketplace reveals no other product category in which the exclusivity promotions are so common, so prominently displayed with labels on the product packing, so prominently featured in print advertising, and available across physical and digital distribution channels. That is, exclusivity promotions used in conjunction with film releases is extremely common. Also, the exclusivity labels are typically attached to the product packaging via an exclusivity sticker. Examples of such items can be found in Figure 4.

Therefore, since some retailers have specifically mentioned an exclusivity strategy to alter consumer behaviors (Zimmerman_a 2012; Zimmerman_b 2012; Zacks Equity Research 2013), and entertainment products are the most commonly labeled exclusive products, with Wal-mart, Best Buy, Target, and others all having exclusively labeled films and CDs, an entertainment product was chosen for our experimental design. Consumers, also, should not find an exclusively labeled DVD/Blu-ray combo pack anomolous or unusual, and this familiarity with the product category and promotional method may increase the reliability of the results.

As with many entertainment products, fair price assessments tend to decline as the product ages. Thus, the “exclusivity” treatment is most common for new releases when demand is high and charging a higher price seems more reasonable. Therefore, a newly released Blu-ray, “Man of Steel”, was chosen as the product for this experiment. Using a new release should maximize the exclusivity effect, which could also decay with time. “Man of Steel” grossed over \$291 million domestically, which indicates that a

large percentage of consumers are somewhat familiar with the brand and that it was widely popular among the moviegoing public (Man of Steel 2014). Such popularity, again, is representative of real world marketplace conditions. Also, the longevity of the Superman character and brand helps ensure that all subjects are somewhat familiar with the offering.

Next, a national retail chain, Target, was chosen as the retailer. While using a fictional film and retailer are ideal in most experimental designs, they were not preferred for this experiment. With entertainment merchandise, the typical trend is that popular products are advertised as exclusive, and usually, such exclusives are only carried at mass retailers who have the power to negotiate for such items with manufacturers. Target, for example, specifically mentions negotiating with manufacturers for exclusive products (Zimmerman 2012_{ab}).

Furthermore, an examination of national retailers, local retailers, and the internet revealed no examples of local retailers using an exclusive labeling strategy. As pointed out in Chapters 1 and 2, when an exclusivity labeling strategy was used, it was always found at a large retailer (Best Buy, Wal-mart, Target, Amazon, etc.) Also, the strategy was most often used with name-brand products that consumers would likely find familiar. In the marketplace, well-known retailers using exclusivity labeling in conjunction with well-known brands or products appears most common. For entertainment products, in particular, by their very nature such brands are usually well-known. Thus, for experimental purposes, seeing an unknown film at an unknown retailer presented a scenerio that could appear too unrealistic for some subjects. Rather than well-known retailers and well-known entertainment brands, subjects would be exposed to unknown

retailers and unknown entertainment brands. That is, using unknown retailers and brands would present the opposite situation of what consumers are likely accustomed to when encountering entertainment products, particularly exclusively labeled entertainment products. Such a scenerio could violate the subjects expected shopping norms, cause issues with trust, and negatively affect the results of an experiment.

In summary, an experiment with either a fictitious or foreign retailer and fictitiously branded video or utilitarian product would have provided the most experimental control. However, subjects may have concerns of trust and a lack of realism with a fictitious retailer and product. Since experiments typically include a tradeoff between laboratory control and real-world influences, a conscious decision was made to pursue a design which included a realistic product/retailer scenario. This approach seemed to present a more trustworthy scenario for the subjects to consider, but does include the experimental limitations commonly associated with using real brands and retailers. However, attitude toward the retailer and product category were measured and included in the MANOVA as covariates to control for these influences.

Pre-Test 1: Data Collection and Sample Description

In the data gathering process, a convenience sample of social network users participated as subjects. A total of 48 responses were gathered, and 44 were used after cleaning the data. Of these responses, 23 subjects were in the “exclusive” product labeling condition, and 21 subjects were in the non-exclusive condition. Due to a software error during survey construction, the final question on the survey, which asked for the subjects gender, was not administered. This problem was corrected in subsequent pre-tests.

Furthermore, 54.5% of the subjects were Caucasian, 43.2% were African-American, and one subject (2.3%) chose not to respond to ethnicity. Other choices for race and ethnicity were given, but were not chosen. Twenty-five percent of the subjects were single, 68.2% were married, and 5.6% were divorced or widowed. Recognizing that some subjects might be in a relationship or cohabitating but not married, the available responses for marital status were expanded in future pre-tests and in the final study. The last item on the survey asked for gender, but due to a survey construction error, this information was not gathered. All subjects were from the United States, and additional and more detailed demographic data are reported in Table 3. Note: Race and occupation data were also collected, but are not listed.

Table 3

Pre-Test 1 Demographics

Household Income		Age		Marital Status	
Under \$25,000	6.8%	18 to 24	9.1%	Single	25.0%
\$25,000 to \$49,999	18.2%	25 to 34	25.0%	Married	68.2%
\$50,000 to \$74,999	20.5%	35 to 44	25.0%	Divorced	2.3%
\$75,000 to \$99,999	18.2%	45 to 54	20.5%	Widowed	2.3%
\$100,000 to \$149,999	9.1%	55 to 64	13.6%	Did not respond	2.3%
\$150,000 or more	9.1%	65 or older	4.5%	Total	100.1%
I decline to answer.	13.6%	Did not respond	2.3%		
Did not respond	4.5%	Total	100.0%		
Total	100.0%				

Prior to product exposure, the subjects answered a questionnaire. Immediately after the questionnaire, the respondents were exposed to an image of the product cover.

Half of the subjects were randomly shown the exclusively labeled version of the product, while the other half were randomly shown the non-exclusively labeled version. Both items will be identified as “Sold at Target” in the questionnaire, although only one will have the Target exclusive label.

As the cover art for the film is not yet publically released, a synthetic product cover was used. The exclusive and non-exclusive versions of this cover are shown in Figure 12. The exclusive label states that the exclusive version contains a photobook, behind the scenes video, and a documentary from the producers of “Man of Steel.” Such information is typical of an Blu-ray or DVD exclusive label. A second set of questions followed exposure to the product cover. The product images and scale reliabilities are presented in Figure 12 and Table 4.



Figure 12 Images for Pre-Test 1

Table 4

Pre-Test 1 Scales Reliabilities

	Pretest #1 (Social Network Sample)
Scale	Alpha
Attitude Toward Category	0.95
Intention-To-Seek Product	0.94
Need for Uniqueness	0.93
Attitude Toward Retailer	0.93
Price Consciousness	0.87
Attitude Toward Ad	0.80
Perceived-Item-Uniqueness	0.79
Purchase Intention	0.77
Value Consciousness	0.69
Attitude Toward Shopping	0.60
Sugraphobia	N/A

Pre-Test 1: Results and Discussion

The results are mostly consistent with reliabilities greater than .7 which is the minimum acceptable reliability (Nunnally, 1978). However, Value Consciousness and Attitude Toward Shopping fall beneath this threshold. Therefore, slight alterations were made to these scales and a second pre-test was conducted to check for improvements. Additionally, a set of items designed to test whether the manipulation worked yielded a significant result ($p < .01$). This result indicates that the “exclusively” labeled image was seen as being more unique than the non-exclusive product. Thus, the manipulation worked. A second manipulation check asked the subjects directly if an “exclusive” sticker was on the product, and the frequencies further verified that the manipulation was working.

First, on the basis of expected price, fair price, Intention-To-Seek, and purchase intention, no significant difference was found between the overall exclusive and non-

exclusive groups. However, this comparison did not allow for any subtle comparisons on individual consumer traits. Exclusivity promotions might still more effectively appeal to certain subsets of consumers. Barone and Roy (2010_a), for example, found that consumers with independent self-construals were more likely to view exclusive offers more favorably than those with collectivist self-construals. This pre-test follows a similar line of thought. However, instead of using an individual/collectivist self-construal scale, a need-for-uniqueness scale was utilized. The need-for-uniqueness scale was considered more appropriate for a consumer shopping scenario and seemed to hold a similar theoretical meaning. In fact, need-for-uniqueness is used at the suggestion of Barone and Roy (2010_a, p. 131). Individuals who have a high need to be unique would likely have an independent sense of self-construal – that is, they would prefer to stand out in a crowd or be independent from the status quo.

Therefore, since Barone and Roy (2010_a) discussed their subjects in terms of individual and collectivist self-construal, the subjects here were divided into high and low need-for-uniqueness groups in an attempt to mirror Barone and Roy's two self-construal categories. A median split for need-for-uniqueness was used to compare the high and low groups on several different factors. One problem resulting from this approach was that subdividing the small sample size of 44 subjects into four cells and then into high and low need-for-uniqueness groups resulted in small numbers of subjects in each cell. For example, only four subjects in the low need-for-uniqueness group were assigned to the exclusive condition. Such small cell sizes limited the reliability of the results, but for a pre-test, the results should be sufficient for exploring the data in preparation for the main experiment. Table 5 displays the experimental design.

Table 5

Pre-Test 1, Experimental Design 1

	Exclusive	Non-Exclusive
Need-for-Uniqueness (Low)	Exclusive Product / Low Need-for-Uniqueness	Non-Exclusive Product / Low Need-for-Uniqueness
Need-for-Uniqueness (High)	Exclusive Product / High Need-for-Uniqueness	Non-Exclusive Product / Low Need-for-Uniqueness

A second median split divided subjects into high and low value consciousness groups. This split was performed in order to examine whether the additional attribute of “exclusivity” was associated with any changes in how high or low value conscious consumers felt about the offering. Similar to how high and low need-for-uniqueness individuals may react differently to the experimental factors, high and low value consciousness individuals may also react differently. According to the trivial attributes literature, this additional attribute could reasonably make a difference in consumer perceptions (Brown and Carpenter 2000). This experimental design can be seen in Table 6.

Table 6

Pre-Test 1, Experimental Design 2

	Exclusive	Non-Exclusive
Value Consciousness (Low)	Exclusive Product / Low Value Consciousness	Non-Exclusive Product / Low Value Consciousness
Value Consciousness (High)	Exclusive Product / High Value Consciousness	Non-Exclusive Product / Low Value Consciousness

Furthermore, this pre-test analysis did not fully examine all the research questions. One of the scales, attitude toward shopping, had an alpha far below .70, and it will not be examined. Also, this pre-test analysis is meant to demonstrate that the experimental design works and that the results here are worthy of a more in-depth experiment. Therefore, only specific sections of the research questions will be examined, primarily those that demonstrate that a more robust experiment is worthwhile.

Last, one word of caution is necessary in interpreting the results. As mentioned previously, a confound was discovered and corrected after Pre-Test 1. The “exclusive” labeled condition lists minor product attributes that are not provided on the non-exclusive condition. In a corrected experimental design, the same attributes should be listed in both conditions, which would test for the significance of exclusivity outside of any other factors. However, these products are representative of real-world exclusive and non-exclusive products. In the marketplace, a non-exclusive product would not be found with attributes only available on the exclusive version of the product. While this situation creates a confound in the experiment, this scenario is more true to the marketplace.

In other words, if experiments are often a tradeoff between the necessity of experimental control and real-world scenarios, this confound represents an error more in line with a real-world shopping scenario. The experiment gives a closer approximation to a real-world exclusive product and its non-exclusive counterpart. Therefore, the results should still reflect genuine attitudes about exclusive and non-exclusive products and promotional techniques.

Pre-Test 1: Need-for-Uniqueness

An examination of Research Question 1a, which deals with price expectations, begins the examination of the pre-test data. When asked the open-ended question “What would you expect this product to cost?” subjects in the high and low need-for-uniqueness groups gave nearly equal responses in the exclusive condition. However, in the non-exclusive condition, a one-way ANOVA revealed a significant difference ($p < .05$) between the low need-for-uniqueness individuals and the high need-for-uniqueness individuals. These results are shown in Figure 13 and Table 7.

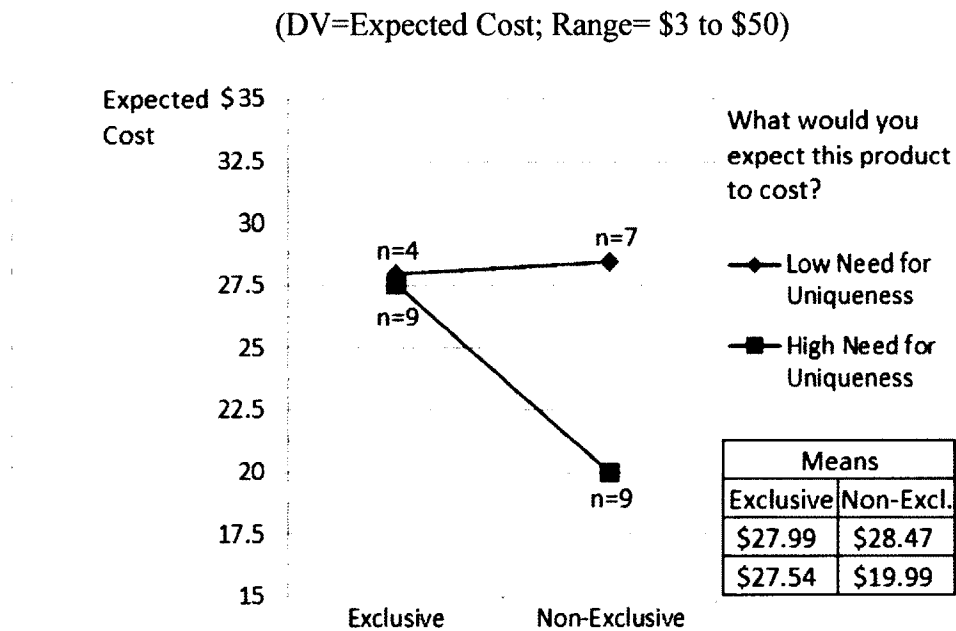


Figure 13 *Pre-Test 1, NU-Exclusivity, DV=Expected Cost*

Table 7

One-Way ANOVA DV=Expected Cost; Results for the Non-Exclusive Condition

	Df	F	Sig.
Between-Groups	1	6.018	0.028
Within Groups	14		
Total	15		

Directionally, both the low and high need-for-uniqueness subjects reacted similarly to the results of Barone and Roy's work (2010_a). Using high need-for-uniqueness in place of Barone and Roy's "independent self-construal" and low need-for-uniqueness in place of Barone and Roy's "collectivist self-construal," those in the low need-for-uniqueness condition slightly discounted the value of the exclusive product, and the high need-for-uniqueness individuals valued the exclusive offer more than the non-exclusive offer. However, these differences are only statistically significant in the non-exclusive condition, where individuals high in need-for-uniqueness substantially discounted the non-exclusive product.

Moving on, results approaching significance were found when subjects were asked "What do you feel is a fair price for this product?" Again, high need-for-uniqueness individuals tended to discount the non-exclusive product. The results are shown in Figure 14 and Table 8.

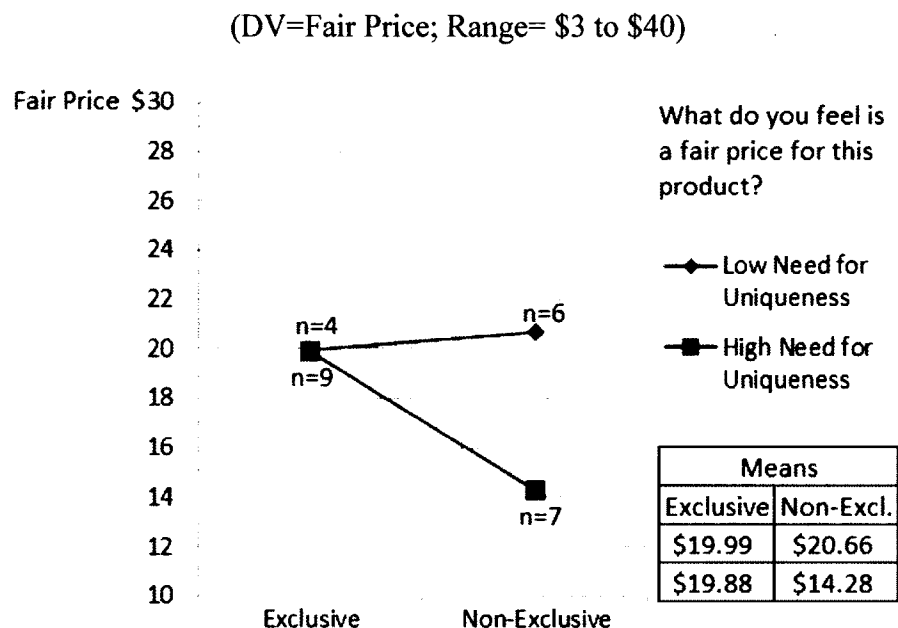


Figure 14 *Pre-Test 1, NU-Exclusivity, Fair Price*

Table 8

One-Way ANOVA DV=Fair Price Results for the Non-Exclusive Condition

	Df	F	Sig.
Between-Groups	1	2.531	0.14
Within Groups	11		
Total	12		

Based on the ANOVA results shown in Table 8, with a bigger sample size, the result in the non-exclusive condition would potentially become statistically significant.

Next, Intention-To-Seek out the product was compared between the high and low need-for-uniqueness groups. A pattern similar in direction to “fair price” assessment emerges (See Figure 15 and Table 9).

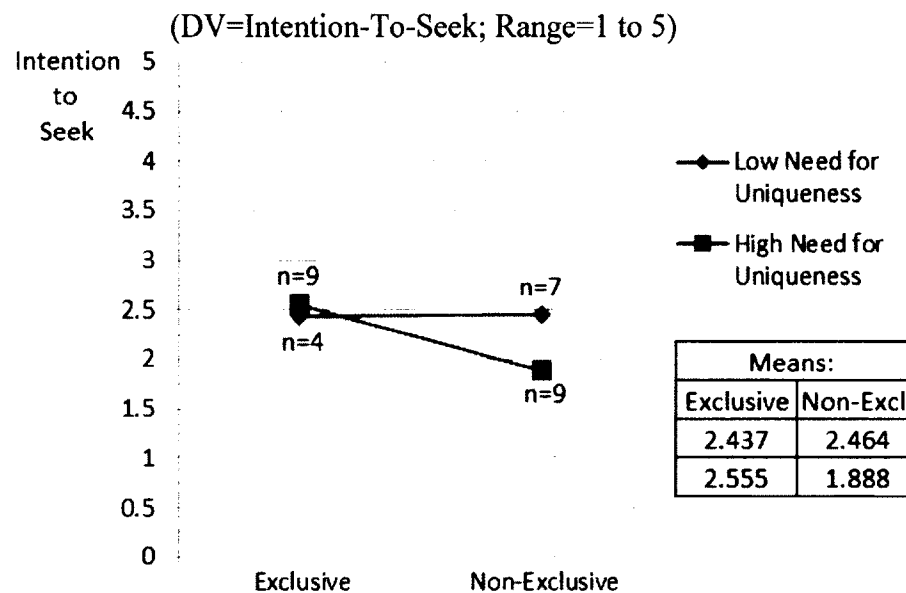


Figure 15 *Pre-Test 1, NU-Exclusivity, DV=IS*

Table 9

One-Way ANOVA DV=IS Results for the Non-Exclusive Condition

	Df	F	Sig.
Between-Groups	1	3.137	0.098
Within Groups	14		
Total	15		

The one-way ANOVA analysis of these results gives a p-value approaching significance at the 0.1 level, which again, might attain significance in a larger sample.

In summary, the Pre-Test 1 results yield some evidence that subjects with a high need-for-uniqueness may discount their price evaluations of non-exclusive products. Additionally, they may be less likely to seek out a non-exclusive product. However, the small sample size used in Pre-Test 1 may have led to results that were insignificant, but which might become significant in a larger sample.

Pre-Test 1: Value Consciousness

To begin, a one-way ANOVA comparing high and low need for uniqueness groups on the basis of value consciousness was conducted, and it did not yield any significant ($p < .781$) relationship between the two traits. Then, in order to see if the idea of “exclusivity” appealed on the basis of value consciousness, a series of one-way ANOVA and Univariate GLM analyses were performed. Per the literature on trivial attributes and discussion in Chapter 2, in some contexts “exclusivity” may be seen as a trivial attribute by some individuals, and this additional attribute may make the value proposition of exclusive goods more appealing. In terms of Transaction-Utility theory,

the additional attribute of “exclusivity” may improve the chances of the deal seeming “good.”

Next, this work examines how individuals who rate high (low) in value consciousness react to an exclusive item. On the basis of fair price valuations (“What do you feel is a fair price for this product?”) or price expectations (“What would you expect this product to cost?”), no significant difference existed between the high or low value consciousness groups in either condition after conducting a series one-way ANOVA analysis. Hence, based on the pre-test data, value conscious individuals’ price expectations and fair price evaluations do not seem affected by exclusivity promotions. However, an examination of the intention-to-see scale on the basis of value consciousness did reveal a significant result.

A one-way ANOVA resulted in a significant difference ($p < .019$) between the high and low value consciousness groups in the exclusive condition. As expected, individuals high in value consciousness were more likely to seek out the exclusive product than individuals who rated low in value consciousness.

In analyzing the graph in of the one-way ANOVA Figure 16 and the results in Table 10, an ordinal interaction was found between the exclusivity experimental condition (exclusive or non-exclusive) and value consciousness.

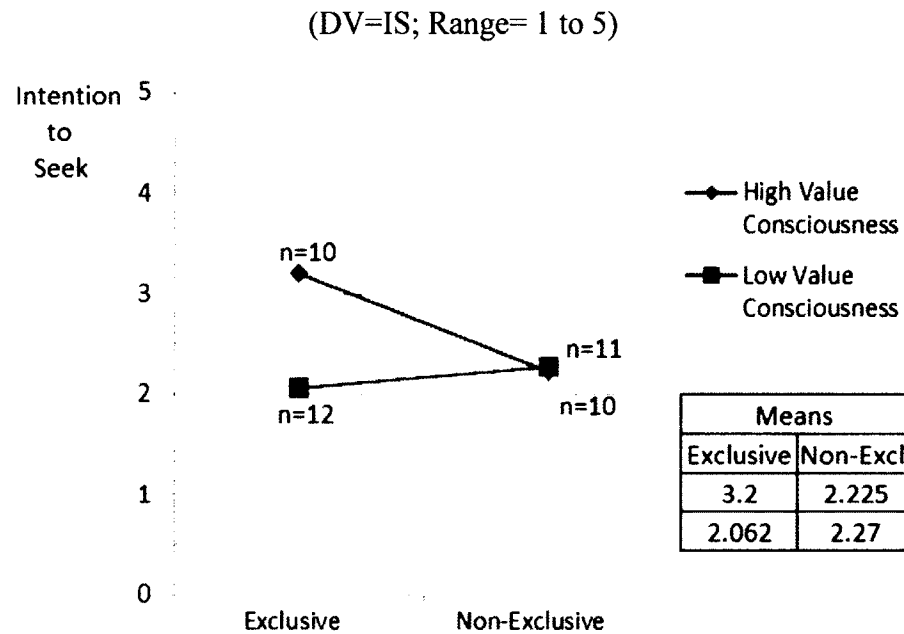


Figure 16 *Pre-Test 1, VC-Exclusivity, DV=IS*

Table 10

One-Way ANOVA DV=IS Results for the Exclusive Condition

	Df	F	Sig.
Between-Groups	1	6.455	0.019
Within Groups	20		
Total	21		

Therefore, a Univariate GLM was performed to further investigate this interaction. The entire model was significant, and value consciousness had a significant relationship to Intention-To-Seek. The results are shown in Table 11.

Table 11

Pre-Test I, Univariate GLM (DV=IS)

Univariate GLM			
Value Consciousness x Exclusivity Condition x Interaction = Intention-To-Seek			
	df	F	Sig.
Model	3	3.401	0.027
Intercept	1	315.366	0.000
Exclusivity Condition	1	1.936	0.172
Value Consciousness	1	3.932	0.054
Exclusivity Condition * Value Consciousness	1	4.650	0.037
Error	39		
Total	43		
Corrected Total	42		
R Squared.	0.207		

Based on the results and Table 11, the interaction effect between the Exclusivity Condition and Value Consciousness is significant, while the Exclusivity Condition in isolation is not significant. This result seems to indicate that the added value proposition of the exclusive good and its additional attributes are appealing to the High Value Conscious group, rather than the notion of exclusivity itself. However, this preliminary finding should be taken with caution.

Similar results were found when examining purchase intentions in light of high or low value consciousness. Figure 17 and Table 12 show another ordinal (i.e. magnitude) interaction, and the full ANOVA results for the exclusive condition are found. The high and low value consciousness groups are significantly different at the .05 level.

(DV=Purchase Intention; Range= 1 to 5)

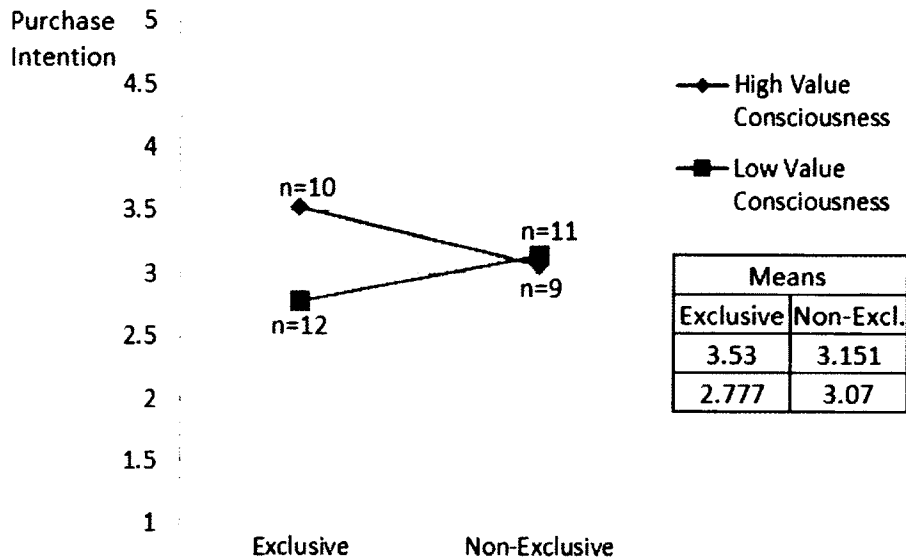


Figure 17 Pre-Test I, VC-Exclusivity, DV=PI

Table 12

One-Way ANOVA DV=PI Results for the Exclusive Condition

	Df	F	Sig.
Between-Groups	1	4.150	0.055
Within Groups	20		
Total	21		

Another Univariate GLM, was performed to examine the effect of value consciousness and exclusivity. However, the overall model was not significant. These results are shown in Table 13.

Table 13

Pre-Test 1, Univariate GLM (DV=PI)

Univariate GLM Value Consciousness x Exclusivity Condition; DV = Purchase Intentions			
	Df	F	Sig.
Model	3	1.68	0.180
Intercept	1	653.795	0.000
Exclusivity Condition	1	0.03	0.862
Value Consciousness	1	1.913	0.175
Exclusivity Condition * Value Consciousness	1	2.886	0.098
Error	38		
Total	42		
Cor. Total	21		
R Squared.	0.117		

Overall, Pre-Test 1 provided some evidence that both value consciousness and need-for-uniqueness may play a role in how consumers perceive exclusivity offers. The preliminary data suggest that individuals high in need-for-uniqueness tend to discount the dollar value of non-exclusive goods at a far greater rate than individuals who are low in need-for-uniqueness. In addition, subjects high in need-for-uniqueness tended to be more willing to seek out and purchase exclusive goods than individuals in the low need-for-uniqueness group. Generally, whether on price considerations or on intentions to seek and purchase, high need-for-uniqueness individuals tended to find the non-exclusive product less appealing.

However, the degree of value consciousness appeared to have little to do with fair or expected price valuations. Instead, when exposed to the exclusive product, high value consciousness individuals tended to be more willing to seek out and purchase the product when compared to low value conscious individuals in the same condition. Interestingly,

individuals low in value consciousness tended to behave similarly when exposed to either an exclusive or non-exclusive product image. This pattern was also evident for individuals in the low need-for-uniqueness condition. If this holds true in the main study, it would appear that there would be little to lose from offering exclusive products. Such products appear to offer added appeal to some individuals, but seem to have almost no significant negative effects across the entire population. These results indicate that a more expansive experiment using a larger sample would be a worthwhile endeavor.

Pre-Test 2

Similar to Pre-Test 1, a Blu-ray/DVD set was used in Pre-Test 2. However, since pre-test one indicated that the experimental manipulation was working, Pre-Test 2 was only performed to improve any weak scale reliabilities. Using only one experimental cell was sufficient for testing scale reliability, so only one condition was used.

Pre-Test 2: Data Collection and Sample Description

The subjects came from Amazon's mTurk service. Subjects self-selected into the sample and were paid a participation fee of 20 cents. Overall, 54 responses were gathered, and 53 were usable. Of these, 51.9% (28 subjects) were male, and 46.3% (25 subjects) were female. Regarding race, 66% (35) of subjects identified themselves as "Caucasian," 22.6% (12 subjects) identified "Asian/Pacific Islander," 5.7% (3 subjects) identified themselves as "Black or African-American." No subject identified him/herself as "Native American or American Indian," but one subject was identified as "Hispanic or Latino," and one declined to answer the race question. Overall, the sample tended to be younger, lower income, and Caucasian. The remainder of the demographic data are

shown in Table 14. Note: Race and occupation data were also collected, but are not listed.

Table 14

Pre-Test 2 Demographics

Household Income		Age		Marital Status	
Under \$25,000	30.2%	18 to 24	20.8%	Single	49.1%
\$25,000 to \$49,999	32.1%	25 to 34	32.1%	Married	41.5%
\$50,000 to \$74,999	11.3%	35 to 44	20.8%	Divorced	7.5%
\$75,000 to \$99,999	11.3%	45 to 54	15.1%	Widowed	0%
\$100,000 to \$149,999	7.5%	55 to 64	9.4%	Did not respond	1.9%
\$150,000 or more	1.9%	65 or older	0%	Total	100%
I decline to answer.	1.9%	Did not respond	1.9%		
Did not respond	3.8%	Total	100.1%		
Total	100%				

Since this data were gathered using Amazon's mTurk service, there is a higher chance that some subjects are non-American than in the social network convenience sample used in Pre-Test 1. Therefore, Pre-Test 3 also gathers nation of origin in order to better understand the demographic sample.

Since Value Consciousness and Attitude Toward Shopping are both beneath or near .70, those scales underwent minor revisions to improve the reliabilities. These improvements included removing a small number of items, and reducing the number of reverse coded items. For example, removing one item from the Attitude Toward Shopping scale would have improved the reliability in Pre-Test 1 from .597 to .726. Notably, such changes did improve the scale reliabilities to an acceptable degree. The Value Consciousness alpha improved from .693 to .806, and the Attitude Toward Shopping alpha improved from .597 to .898. Of the remaining Cronbach alphas, five of

the eight scales loaded slightly lower, but still in-line with Pre-Test 1. Last, a general measure of distrust, sugraphobia, was also included as an individual difference variable. Some subjects, those high in general distrust, may not believe that an item is truly “exclusive” despite advertising or product labeling claims. The sugraphobia scale had an alpha of .775. Full results can be seen in Table 15.

Table 15

Pre-Test 2, Scale Reliabilities Comparison

	Social Network Sample (July 2013)	Mturk Sample (December 2013)
Scale	Alpha	Alpha
Attitude Toward Category	0.946	0.953
Intention-To-Seek Product	0.939	0.938
Need for Uniqueness	0.933	0.963
Attitude Toward Retailer	0.927	0.896
Price Consciousness	0.866	0.862
Attitude Toward Ad	0.796	0.784
Perceived-Item-Uniqueness	0.787	0.768
Purchase Intention	0.774	0.808
Value Consciousness	0.693	0.806
Attitude Toward Shopping	0.597	0.898
Sugraphobia	N/A	0.775

Pre-Test 2: Results and Discussion

Since the “Man of Steel” Blu-ray had seen a release into the retail market after Pre-Test 1, and real-world pricing effects could bias pricing responses, a new film was chosen. The popular film “The Hunger Games: Catching Fire,” with a domestic gross of over \$422 million, was chosen (The Hunger Games: Catching Fire, 2014). Also, after Pre-Test 1, a possible confound was removed from the product image. Since the exclusivity label listed the exclusive features, and the non-exclusive product did not have

any features listed, a side panel listing product attributes was added to both images. However, again, rather than conduct a complete pre-test, only one condition was tested to see if the reliabilities had improved.

Furthermore, the additional features for this Blu-ray/DVD set are 30 minutes of extended and deleted scenes and a 45 minute behind-the-scenes featurette. The image of the product is shown in Figure 18:

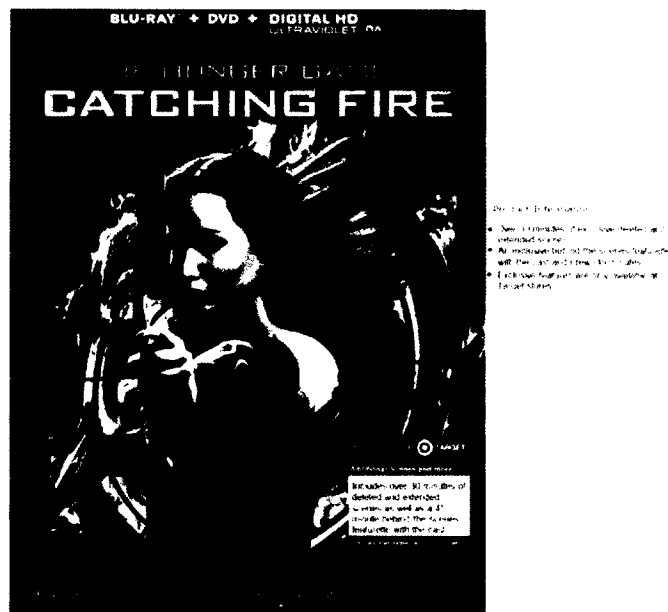


Figure 18 *Pre-Test 2, Product Image*

The second pre-test indicated that the scale reliabilities were sufficient. However, in Pre-Test 1 and Pre-Test 2, only one product category, entertainment products, were examined. Since entertainment products are highly associated with emotional/hedonic needs, a second product was added to expand the reach of this research. This product, a vacuum cleaner, was picked because it carries much more utilitarian connotations than an entertainment product. This second product category was added to enhance the

generalizability of this research. However, a third pre-test was also necessary to test whether or not the manipulation for the new product category worked.

Pre-Test 3

The third pre-test examines whether or not the manipulations for each experimental condition worked properly, and fully tested the new film and vacuum cleaner images. The vacuum cleaner image is based on a 2011 Black Friday exclusive product ad for Target, and again, Target is the retailer in all the exclusive conditions. In the non-exclusive conditions, the product is described as “available at Target and at other retailers.” The product attributes are listed on the side of each image. Furthermore, to test the effect of an exclusivity label in isolation, without attributes listed, the vacuum cleaner image was given two additional experimental cells. One experimental condition was created with an “exclusive” label but no attributes listed, and one condition without the “exclusive label” and with no attributes listed was developed. Last, the demographic data section was revised to better find out the subjects country of origin and to expand the “marriage” option to offer more choices.

Pre-Test 3: Data Collection and Sample Description

As in Pre-Test 2, Amazon mTurk was used to gather 300 responses. Subjects self-selected into the survey and were paid a fee of 20 cents. Of those subjects, 147 were kept after cleaning the data for invalid or partial responses. Men comprised 56.1% (83 subjects) of the sample, and women comprised 43.2% (64 subjects) of the sample. One individual, .7% of the sample, did not respond when asked his/her gender.

Many subjects were from India or other countries where English is a second language. Therefore, a very strict approach was used to clean the data. Subjects had to correctly answer manipulation check questions asking whether or not the product contained an “exclusive” label, and they also had to correctly identify the product in the image. Overall, in the cleaned data set, 99 subjects (68.9%) were from India, 39 (26.4%) were from the United States, and 2 (1.4%) were from the United Arab Emirates. These three countries accounted for 140 of the 147 subjects in the cleaned data set. One response each came from each of the following countries: Australia, Belize, Macedonia, Morocco, the Philippines, the Russian Federation, and Thailand. Additional demographic data can be found in Table 16. Race and occupational data were also collected but are not listed in Table 16.

Table 16

Pre-Test 3 Demographics

Household Income		Age		Marital Status	
Under \$25,000	52%	18 to 24	12.8%	Single	37.8%
\$25,000 to \$49,999	20.3%	25 to 34	54.7%	Married	7.4%
\$50,000 to \$74,999	14.9%	35 to 44	19.6%	Divorced	52.8%
\$75,000 to \$99,999	4.7%	45 to 54	6.1%	Widowed	2%
\$100,000 to \$149,999	4.7%	55 to 64	3.4%	Did not respond	0%
\$150,000 or more	0%	65 or older	3.4%	Total	100%
I decline to answer.	3.4%	Did not respond	0%		
Did not respond	0%	Total	100%		
Total	100%				

With many of the subjects coming from countries with lower per capita incomes than the U.S., the large percentage of homes with a low household income (52%) is to be

expected. However, the low number of married individuals in the marital status category is unexplained and unexpected when compared to the results of the prior pre-tests.

Pre-Test 3: Results and Discussion

The subjects were randomly assigned to one of the six experimental conditions. The reliability analysis of the scales in Pre-Test 3 was consistent with the scales in Pre-Test 2. Since two product categories were used in Pre-Test 3, an overall alpha and break downs of each reliability score by product category are given where subjects were exposed to the scale after exposure to the ad image. For the sake of parsimony, one item was removed from the Perceived-Item-Uniqueness scale, which originally consisted of six items. This item removal made almost no difference to the overall scale reliability. A comparison of all Pre-Test reliabilities can be seen in Table 17.

In addition to the scales, Pre-Test 3 included a set of questions in which subjects were asked their favorite color and to rate various colors on a sliding scale. Since the exclusive vacuum cleaner features an exclusive “red ball” coloring, this measurement was included to control for biases for or against the color red. With this additional set of questions, and with the scale reliabilities confirmed, each of the paired conditions was examined using one-way ANOVA on the basis of the Perceived Product Uniqueness scale. The product images are shown in Figure 19 and ANOVA results appear in Table 18.

Table 17

Pre-Test 3, Scale Reliabilities Comparison

	Social Network (July 2013)	Mturk (Dec. 2013)	Mturk (January 2014)
Scale	Alpha	Alpha	Alpha
Price Consciousness	.866	.862	.843
Need for Uniqueness	.933	.963	.930
Attitude Toward Retailer	.927	.896	.85
Value Consciousness	.693	.806	.807
Attitude Toward Shopping	.597	.898	.853
Sugraphobia	N/A	.775	.723
Attitude Toward Category	.946	.953	.941 (Overall), .879 (DVD), .942 (Vacuum)
Intention-To-Seek Product	.939	.938	.918 (Overall) .923 (DVD) .917 (Vacuum)
Attitude Toward Ad	.796	.784	.833 (Overall), .774 (DVD), .844 (Vacuum)
Perceived-Item-Uniqueness	.787	.768	.785 (Overall) .856 (DVD) .733 (Vacuum)
Purchase Intention	.774	.808	.837 (Overall) .837 (DVD) .826 (Vacuum)

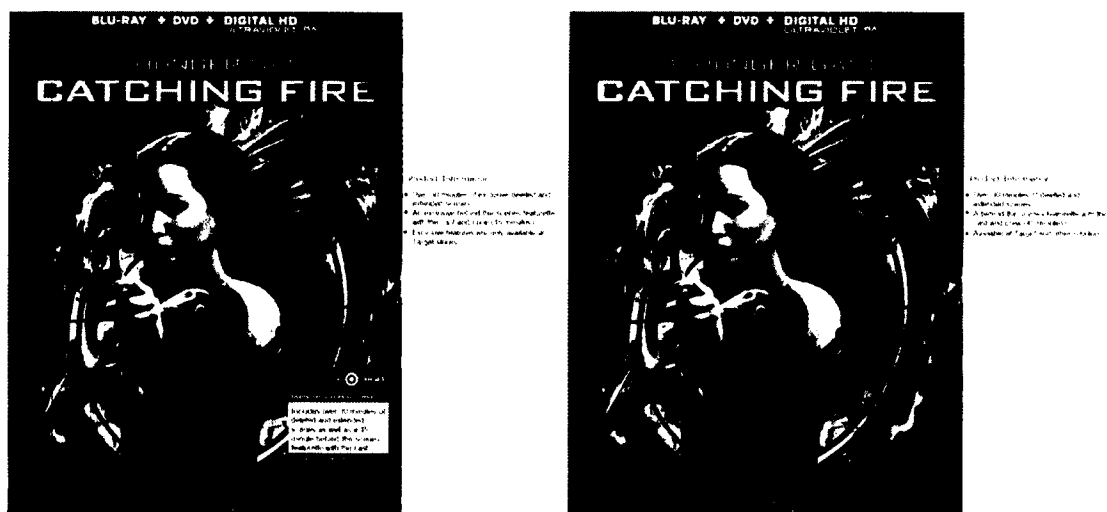


Figure 19 *Pre-Test 3: Manipulation Check 1*

Table 18

Pre-Test 3: Manipulation Check 1 Results

Conditions 1a and 1b			
Condition	N	Mean	Std. Dev.
1a	28	3.7	0.134
1b	13	2.75	0.661
One-Way ANOVA Sig. = .000			

The first manipulation in Table 18 appears to be working given a significance level of .005. This finding is a strong result despite the small cell size of 13 subjects in condition 1b. Again, the Perceived-Item-Uniqueness scale is being used in this comparison. The exclusively labeled product is perceived as more unique at a statistically significant level. See Figure 20 and Table 19.

Conditions 2a and 2b

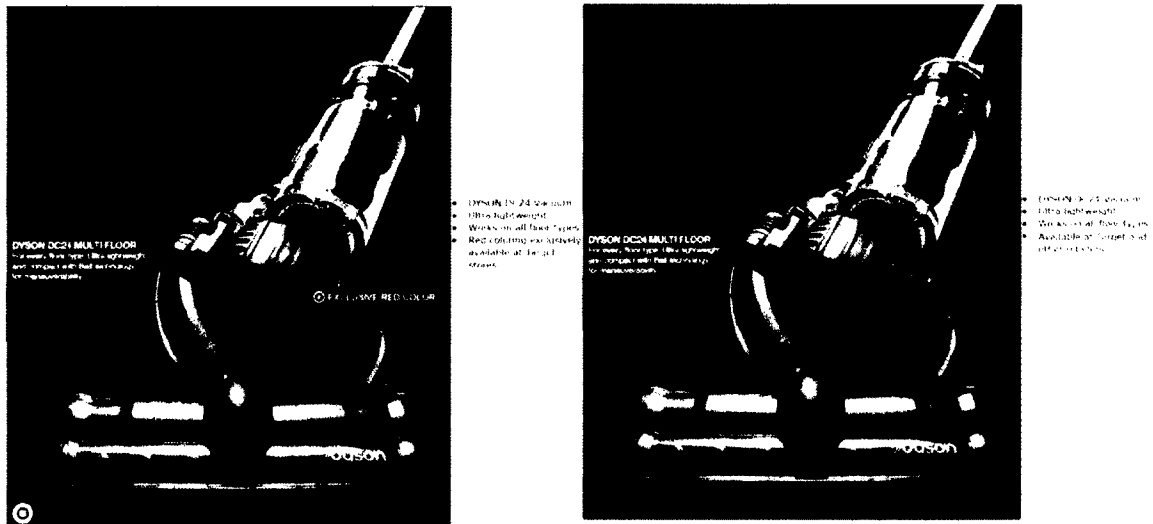
Figure 20 *Pre-Test 3 Manipulation Check 2*

Table 19

Pre-Test 3 Manipulation Check 2 Results

Conditions 2a and 2b			
Condition	N	Mean	Std. Dev.
2a	42	3.38	0.522
2b	14	2.95	0.658
One-Way ANOVA Sig. = .014			

The manipulation shown in Table 19 works at the .01 significance level. Again, the manipulation is working despite the small cell size. Refer to Figure 21 and the results shown in Table 20.

Conditions 3a and 3b

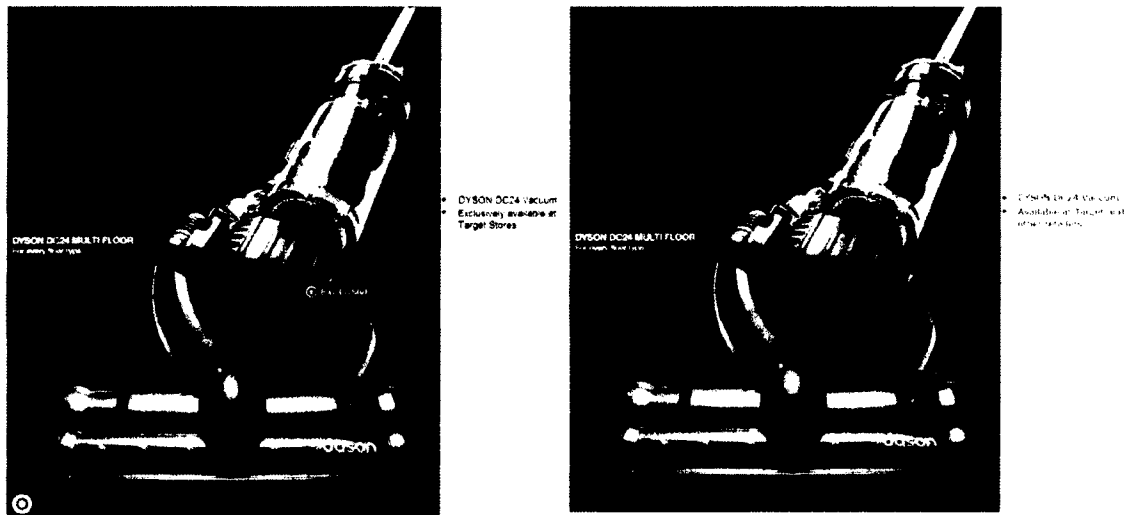
Figure 21 *Pre-Test 3 Manipulation Check 3*

Table 20

Pre-Test 3 Manipulation Check 3 Results

Conditions 3a and 3b			
Condition	N	Mean	Std. Dev.
3a	27	3.35	0.69
3b	21	2.92	0.7
One-Way ANOVA Sig. = .038			

The ANOVA shown in Table 20 yielded significant results at the .05 threshold. Since this manipulation did not appear as strong as the others, this result could be preliminary evidence that an “exclusive” label in isolation is not as effective at convincing subjects that the product is truly exclusive. However, this notion should be treated with extreme caution without further supporting evidence.

After the three pre-tests, the final survey instrument took form. The survey incorporates elements examined in the pre-tests, but also extends the exclusive label with no attributes to the DVD product condition as well as the vacuum product condition.

Main Survey Design

Based on the results of the three pre-tests, the main study experimental design was finalized. The final design was very similar to Pre-Test 3 with a few changes. First, an exclusive product without attributes listed and a non-exclusive product without attributes listed were added to the DVD product comparisons. These conditions were present for the Vacuum category in Pre-Test 3, and the main survey simply expands these conditions to include the DVD category as well. While the data are gathered through a single web survey, the results for each product category (vacuum and DVD/Blu-ray) will be analyzed as separate 2 x 2 full factorial, between-subjects experiments. Exclusivity and the number of attributes are the experimental variables in these experiments. Conditions with multiple attributes listed will be called the “high” attributes listed condition, and conditions with no attributes listed will be called the “low” attributes listed condition. In the low attributes condition, only the basic product information and name and the retailer are listed. No actual product attributes are listed in the “low” attributes conditions. For the vacuum cleaner, the “high” attributes listed condition contains three additional attributes “ultra lightweight,” “works on all floor types,” and “red coloring.” Similarly, outside of the retailer name and basic product description, the “high” attributes DVD/Blu-ray condition contains two listed attributes, additional deleted and extended scenes (30 minutes), and a behind-the scenes featurette (45 minutes).

In summary, the data will be analyzed as two separate 2 x 2 experiments – one for each category. The same experimental design is used for each, and the design is shown in Table 21.

Table 21

Main Study Experimental Designs

		Exclusivity Labeling	
		Exclusive	Non-Exclusive
Attributes Listed	Multiple (High)	Exclusive High Attributes	Non-Exclusive High Attributes
	None (Low)	Exclusive Low (0) Attributes	Non-Exclusive Low (0) Attributes

The second modification to the experimental design involves another change in DVD/Blu-Ray covers. Since “The Hunger Games: Catching Fire” had been released on DVD/Blu-Ray, changing to another film was again necessary to avoid confounds from the marketplace. Real-world pricing information could affect the experiment, so a new film was chosen. The vacuum cleaner ad images only underwent a single change from Pre-Test 3. The “red coloring” feature was added to the high-attributes non-exclusive condition, which had been missing previously.

Since Pre-Tests 1, 2, and 3 used DVD/Blu-Ray covers featuring well-known, fictitious heroes, a similar cover was chosen for the main experiment. The film “Captain America: The Winter Soldier” was used in the main experiment. An exclusive version of this item was created for this experiment and is shown in Figure 22. All four versions of this image used in the experiment can be found in the Appendix C.

Since similar exclusivity manipulations were successful across all three pre-tests, re-testing the manipulation was not deemed necessary in another pre-test. However, one problem that did occur in the pre-tests, particularly in Pre-Test 1, was a low number of subjects. Splitting the data into high and low need for uniqueness and value consciousness groups in the pre-tests resulted in some comparisons using small numbers

of subjects. Therefore, value consciousness and need for uniqueness were examined as traditional covariates in the main study. Still, this work attempted to gather enough subjects to make a split data set useful for exploratory work.



Product Information:

- Captain America: The Winter Soldier Blu-Ray, DVD, Digital HD combo pack
- Over 30 minutes of exclusive deleted and extended scenes
- An exclusive behind-the-scenes featurette with the cast and crew (45 minutes)
- Exclusive features are only available at Target stores

Additional Scenes and more

Includes over 30 minutes of deleted and extended scenes as well as a 45 minute behind-the-scenes featurette with the cast.

Figure 22 *Product Category I Experimental Image*

Since the main experiment has eight conditions, 400 subjects would be needed to get at least 50 subjects in each cell. After data cleaning and splitting the data for use in MANOVA, some of these subjects would be removed. Therefore, while such a large

sample may not be necessary, the data gathering process attempted to gather between 300 and 400 subjects. This sample size would leave a serviceable number of subjects in each condition even after cleaning the data, and possibly leave enough subjects for using a split data set for future exploratory work.

Unlike the pre-tests, the responses for the main experiment came from a university in the southern U.S., and the online survey refined across the three pre-tests was used to gather the data. However, the ad image in the survey was moved to the beginning of the survey, immediately after the subject consent page, to avoid any bias by ensuring that the ad image, rather than prior scale items, took priority in the subjects' minds.

Last, as discussed previously, MANOVA was the methodology for examining the data. Based on Research Question 1, highest price, fair price, expected price, purchase intention, and Intention-To-Seek were dependent variables. The experimental factors included exclusivity and attributes. Two variables mentioned in Research Question 2, either need-for-uniqueness or value consciousness, were considered as covariates. Individual attribute scales, including attitude toward the category, attitude toward shopping, attitude toward the retailer, and sugraphobia, were gathered for use as potential covariates based on Research Question 2. Demographic information was gathered for use as potential covariates as well. While a number of covariates were examined, the goal was to keep the model as parsimonious as possible. A model with these specifications should successfully test all the items listed in Research Questions 1 and 2.

Scales

Most scales used in this dissertation were adopted or adapted from pre-existing scales found in various editions of the *Marketing Scales Handbook* (Bruner et al. 2001, 2005) or the *Handbook of Marketing Scales* (Bearden et al. 2011). Three scales were generated by the research, and these were tested for reliability and refined over the course of the three pre-tests. A full copy of all scales used in the survey can be found in the Appendix B. Brief descriptions of the scales and how they were used can be found in Table 22. Full descriptive statistics including Cronbach's alphas and means can be found in Tables 33 and 34 in Chapter 4.

Table 22

Scales List

Scale	# of Items	Author(s)
Attitude Toward Category	5	Voss, Spangenberg, & Grohmann 2003
Consumer's Need for Uniqueness	8	Tian, Bearden, & Hunter 2001
Price Consciousness	5	Lichtenstein, Ridgeway, & Netemeyer 1993
Value Consciousness	7	Lichtenstein, Ridgeway, & Netemeyer 1993
Attitude Toward Ad	6	Singh 1994
Purchase Intention	3	Putrevu & Lord 1994
Attitude Toward Shopping	5	Sproles & Sproles 1990
Sugraphobia	5	Borges & Babin 2012
Intention-To-Seek	4	Upshaw and Amyx 2014
Attitude Toward Retailer	3	Upshaw and Amyx 2014
Perceived-Item-Uniqueness	5	Upshaw and Amyx 2014

Attitude Toward Category

Voss, Spangenberg, & Grohmann (2003) originally developed the "Hedonic/Utilitarian Attitudes: HED/UT" scale and reported a .95 alpha for the hedonic subscale dimension. This scale involved using bipolar adjectives rated across a 7-point

scale. This dissertation only uses the hedonic subscale, which consisted of five items. Instead of using a 7-point scale, this work used a 5-point scale. As much as possible the adjectives used in the original scale were left unchanged with the exception that “not thrilling/thrilling” was changed to “not annoying/annoying” to better reflect the idea that some categories, like household cleaning appliances, may have more negatively charged connotations. This change was made to better adapt the scale for use in multiple product categories and to better capture the negative aspect of some product categories. For example, vacuuming may be looked upon in a more negative fashion than watching a movie or DVD. Outside of the original source, this scale can be found in the *Handbook of Marketing Scales* (Bearden et al. 2011) and in Appendix B.

Consumer’s Need for Uniqueness

This scale was adapted from Tian, Bearden, and Hunter’s (2001) Consumer’s Need for Uniqueness Scale. While Tian, Bearden, and Hunter (2001) did not give subscale alphas, the overall scale had alphas of .94 and .95 in separate sample tests. This work only used the “avoidance of similarity” dimension, which consisted of nine items. Eight of these items were used in this work, and the ordering of the items were unchanged. They were measured on a 5-point Likert scale as in the original source. Outside of the original source, this scale can be found in the *Handbook of Marketing Scales* (Bearden et al. 2011) and in Appendix B.

Price Consciousness and Value Consciousness

This scale comes from Lichtenstein, Netemeyer, and Burton’s 1993 “Price Perception Scales.” This dissertation uses the seven items from the Value Consciousness

subscale as well as the five items from Price Consciousness subscale. These items were originally measured on a 7-point Likert scale, but are measured on a 5-point Likert scale in this work. The ordering of the items has not been changed. Outside of the original source, this scale can also be found in the *Handbook of Marketing Scales* (Bearden et al. 2011) and in Appendix B.

Attitude Toward Ad

This scale was adapted from Singh (Singh et al. 2000). The scale contained six items and used 7-point bipolar adjectives. The scale was shortened to five items for this work. Outside of the original source, the scale can be found in the *Marketing Scales Handbook* (Bruner et al. 2005) and in Appendix B.

Purchase Intention

Sanjay and Lord (1994) provide this three item scale of purchase intention. In its original form, the scale was measured on a 7-point Likert scale. In this work, the scale was used as a 5-point Likert scale. Sanjay and Lord (1994) reported an alpha of .91. The scale can also be found in the *Marketing Scales Handbook* (Bruner et al. 2001) and in Appendix B.

Attitude Toward Shopping

The “Recreational and Shopping Conscious” hedonic subscale was adapted for use from Spoles and Spole’s (1990) overall “Shopping Styles: Consumer Styles Inventory: CSI” scale. Spoles and Spoles (1990) reported an alpha of .95 for the hedonic subscale, which consisted of five items. As in the original scale, the items

remained five-point scale Likert items for this work. The scale can also be found in the *Handbook of Marketing Scales* (Bearden et al. 2011) and in Appendix B.

Sugraphobia

Sugraphobia was measured in the experiment because consumers might feel that an item advertised as “exclusive” may be a dishonest attempt by a retailer to sell something that is not really special. This scale was used by Borges and Babin (2012) and can be found in Appendix B. The scale consisted of five items measured on a seven point Likert scale. While the original scale used a matrix-question format, the items were converted to separate items in this dissertation. The 7-point Likert scale was maintained. Borges and Babin (2012) reported that all alphas in their work were greater than .82.

Intention-To-Seek, Attitude Toward the Retailer, and Perceived-Item-Uniqueness

These scales were generated by the researcher. Intention-To-Seek consisted of four items and was measured using a 5-point Likert scale. The Attitude Toward the Retailer scale consisted of three items and the Perceived-Item-Uniqueness scale consisted of five items. Both were also measured using a 5-point Likert scale. The Intention-To-Seek scale’s alpha held at between .918 and .939 across all three pre-tests. Similarly, Attitude Toward the Retailer scaled consistently held between .85 and .93 across three pre-tests and the Perceived-Item-Uniqueness scale maintained reliabilities between .77 and .79. All these scales can be found in Appendix B.

Unlike the other scales in this dissertation, the Perceived-Item-Uniqueness scale was developed as a simple manipulation check. Subjects in the exclusive conditions

should have a significantly higher mean score on this scale than those in the non-exclusive conditions. This scale can also be found in Appendix B.

With the experimental designs and scales fully discussed, this dissertation will now move onto Chapter 4, which discusses the results of the experiments and analyzes the data.

CHAPTER 4

RESULTS AND ANALYSES

This chapter begins with a discussion of the data collection, demographics, and sample size for the main experiments. An examination of the manipulation checks and scale reliabilities for each product category also follows.

Data Collection, Demographics, and Sample Size

While examined as two separate experiments, the data for both the DVD/Blu-Ray and the vacuum cleaner were gathered simultaneously through an online web survey that randomly assigned subjects to one of the eight experimental conditions. The survey also attempted to equally distribute the responses among the eight conditions, which resulted in nearly equal amounts of subjects in each condition with a total of 371 responses. This number of acceptable responses was lessened after cleaning the data.

The subjects consisted of undergraduate and graduate students at a university in the southern United States, and of the 371 responses collected, 23 were removed because the subject reported that they had previously taken the survey. A question near the beginning of the survey asked if the subject had previously taken the survey, and if the subject answered positively, no further data was collected and the subject was guided to the “thank you” page at the end of the survey. This scenario could occur if a student was

asked to take the survey in more than one course. Another 13 subjects were removed because they started the survey, but did not finish. An additional 14 subjects were removed because they failed multiple manipulation checks or demonstrated obvious invalid responses.

Overall, 321 total responses were left after cleaning the data and each experimental condition contained between 39 and 41 responses. Of these, 49.2% (158 subjects) were in Experiment 1, which featured the DVD/Blu-ray, and 50.8% (163 subjects) were in Experiment 2, which featured the vacuum cleaner. By gender, the data were split almost evenly between male (51.7%) and female (46.1%) subjects, with 2.2% not responding to the gender item. A full demographic breakdown of the subjects in the overall data set and by individual experiment can be found in Tables 23, 24, and 25.

Table 23

Overall Demographics

Household Income	
Under \$25,000	35.5%
\$25,000 to \$49,999	12.5%
\$50,000 to \$74,999	9.0%
\$75,000 to \$99,999	7.2%
\$100,000 to \$149,999	9.0%
\$150,000 or more	6.5%
I decline to answer.	18.1%
No response	2.2%
Total	100%

Age	
18 to 24	75.1%
25 to 34	17.1%
35 to 44	3.1%
45 to 54	1.9%
55 to 64	0.6%
65 or older	0%
No response	2.2%
Total	100%

Marital Status	
Single	60.4%
In a relationship	25.2%
Married	11.8%
Divorced	0.3%
Widowed	0.0%
No response	2.2%
Total	100%

Race/Ethnicity	
Caucasian	72.3%
Hispanic or Latino	2.2%
Black or African-American	13.4%
Asian/Pacific Islander	4.4%
Native American	9.0%
Other	3.4%
I decline to answer.	1.2%
No response	2.2%
Total	100%

Education Level	
Some High School	0.6%
High School Grad	1.9%
Some College	65.8%
Technical Training	0.6%
Associate degree	3.4%
Bachelor's degree	17.4%
Master's or higher	9.3%
No response	2.5%
Total	100%

Gender	
Male	51.7%
Female	46.1%
No response	2.2%
Total	100%

Table 24

Experiment 1 Demographics

Household Income	
Under \$25,000	34.2%
\$25,000 to \$49,999	12.7%
\$50,000 to \$74,999	7.0%
\$75,000 to \$99,999	9.5%
\$100,000 to \$149,999	8.9%
\$150,000 or more	6.3%
I decline to answer.	20.9%
No response	.6%
Total	100%

Age	
18 to 24	73.4%
25 to 34	18.4%
35 to 44	3.8%
45 to 54	2.5%
55 to 64	1.3%
65 or older	0.0%
No response	0.6%
Total	100%

Marital Status	
Single	55.7%
In a relationship	30.4%
Married	12.7%
Divorced	0.6%
Widowed	0.0%
No response	0.6%
Total	100%

Race/Ethnicity	
Caucasian	72.2%
Hispanic or Latino	1.3%
Black or African-American	14.6%
Asian/Pacific Islander	4.4%
Native American	1.3%
Other	3.2%
I decline to answer.	2.5%
No response	0.6%
Total	100%

Education Level	
Some High School	0.6%
High School Grad	2.5%
Some College	63.3%
Technical Training	1.3%
Associate degree	3.8%
Bachelor's degree	15.8%
Master's or higher	12%
No response	0.6%
Total	100%

Gender	
Male	51.3%
Female	48.1%
No response	0.6%
Total	100%

Table 25

Experiment 2 Demographics

Household Income		Age		Marital Status	
Under \$25,000	36.8%	18 to 24	76.7%	Single	65.0%
\$25,000 to \$49,999	12.3%	25 to 34	16.0%	In a relationship	20.2%
\$50,000 to \$74,999	11.0%	35 to 44	2.5%	Married	11.0%
\$75,000 to \$99,999	4.9%	45 to 54	1.2%	Divorced	0.0%
\$100,000 to \$149,999	9.2%	55 to 64	0%	Widowed	0.0%
\$150,000 or more	6.7%	65 or older	0%	No response	3.7%
I decline to answer.	15.3%	No response	3.7%	Total	100%
No response	3.7%	Total	100%		
Total	100%				

Race/Ethnicity		Education Level		Gender	
Caucasian	72.4%	Some High School	0.6%	Male	54.1%
Hispanic or Latino	3.1%	High School Grad	1.2%	Female	44.2%
Black or African-American	12.3%	Some College	65.0%	No response	3.7%
Asian/Pacific Islander	4.3%	Technical Training	0.0%	Total	100%
Native American	.6%	Associate degree	3.1%		
Other	3.7%	Bachelor's degree	19.0%		
I decline to answer.	0.0%	Master's or higher	6.7%		
No response	3.7%	No response	4.3%		
Total	100%	Total	100%		

Overall, the demographic data tends toward young, Caucasian singles who have some college education. For the sake of clarity, the data will be referred to as three separate data sets, the overall data including all eight experimental conditions, the data for the DVD/Blu-ray (4 conditions) and the data for the vacuum cleaner (4 conditions).

Manipulation Checks

Next, the survey contained several manipulation checks, but two checks served to check the exclusivity manipulations. The first and primary of these two checks was the perceived-item-uniqueness scale (also called “MC1,” or manipulation check 1). The scale consisted of four items, including one reverse scored item, meant to determine how uniquely the subject viewed the product in the image. If the exclusivity manipulation is working properly, subjects should rate the exclusive item as more unique than its non-exclusive counterpart.

A second manipulation check item directly asked “Was an ‘exclusive’ label on the image?” Subjects were given the choice of answering “Yes,” “I don’t know,” or “No.” This manipulation check will be referred to as MC2 or manipulation check 2. Subjects were asked to respond to MC1 soon after viewing the image, while MC2 came at the end of the survey. Therefore, MC1 will be relied upon most thoroughly, and MC2 will be consulted if MC1 demonstrates non-significant results.

To ensure that the manipulations were working correctly, a one-way ANOVA was conducted with the experimental condition (exclusive/non-exclusive) as the fixed factor, and the scaled perceived-item-uniqueness scaled score as the dependent variable. The results were highly significant at .001. A more in-depth check using one-way ANOVAs with individual comparisons was also performed to further insure that the manipulation checks were working as planned. MC1 (the perceived-item-uniqueness scaled score) was the dependent variable and individual experimental conditions were the factor. The p-values for each ANOVA are given in Table 26.

Overall, MC1 indicated that the manipulations are working in three of the four experimental conditions. Since the Condition 7 and 8 comparison approaches significance at $p < .06$, the second manipulation check, MC2, in which subjects were directly asked if the image contained an exclusive label, was examined for further supporting evidence.

Table 26

Main Study Manipulation Checks (One Way ANOVAs)

IV=Experimental Condition; DV=Perceived-Item-Uniqueness Mean Scaled Score

Comparison (DVD/Blu-Ray)	Means	F	p-value
Excl., High Attributes (Cond. 1) vs. Non-Excl., High Attributes (Cond. 2)	2.90 2.47	6.09	.01
Excl., Low Attributes (Cond. 3) vs. Non-Excl., Low Attributes (Cond. 4)	2.62 2.21	6.69	.01

Comparison (Vacuum Cleaner)	Means	F	p-value
Excl., High Attributes (Cond. 5) vs. Non-Excl., High Attributes (Cond. 6)	3.16 2.70	6.30	.01
Excl., Low Attributes (Cond. 7) vs. Non-Excl., Low Attributes (Cond. 8)	3.02 2.73	3.65	.06

The MC1 comparison (conditions seven and eight) with $p < .06$ was further examined in MC2. MC2 asked “Was an ‘exclusive’ label on the image?” The cross tabulation results along with a chi-square comparison of the responses for conditions seven and eight can be seen in Table 27. More detailed crosstabs for the entire data set can be found in Tables 31, 32, 33.

Table 27

Conditions 7 & 8 Crosstabs

Was there an "exclusive" label on the image?					
	Condition 7 (Exclusive)		Condition 8 (Non-Exclusive)		Total
Yes	26	68.4%	10	25.0%	36
I don't know	9	23.6%	15	37.5%	24
No	3	7.8 %	15	37.5%	18
Total	38	100%	40	100%	78
Pearson Chi-Square results: value = 16.5, df=2, sig. =.000					

The chi-square result is significant, indicating that the responses from the two conditions are significantly different. The exclusive condition subjects report (68.4%) that they saw an exclusive label while less than 8% of the subjects in that condition erroneously reported there was an exclusive label in the advertising material. The non-exclusive condition results are somewhat more mixed, but “No” responses (37.5%) still outnumber “Yes” (25.0%) responses. The percent of “I don’t know” responses in the non-exclusive condition (37.5%) could be seen as troubling until one considers that the subjects were being asked to affirm the non-existence of the label. This question could trouble subjects in the non-exclusive condition in a variety of ways.

For example, asking subjects whether or not the exclusive label was present when in fact there was none in the stimulus material may have primed individuals to think that the label was there, or could have even primed them to be less sure of a negative response which could result in an increase in “I don’t know” responses. Alternatively, since exclusivity is considered appealing (Brown 2001; Hudders 2012), some form of confirmation bias or wishful thinking may affected subjects in the non-exclusive condition. When asked if there was an exclusive label, the subjects may have “wanted”

to be in the exclusive condition, and thus, second guessed their memory of the image, further increasing the chances of subjects in the non-exclusive condition answering with “I don’t know.” Further, MC2 occurred near the end of the survey, which occurred several minutes in time from exposure from the image at the front of the survey. An increased time distance over MC1 could also have affected their answers. And lastly, a label is a comparatively small part of the overall image, so subjects might legitimately think that they overlooked an exclusive label and responded “I don’t know” as their answer. In sum, the MC2 question may have simply been confusing to the subjects in the non-exclusive condition. Considering that MC1 was approaching significance ($p < .06$), less than one quarter (24.4%) of the subjects erroneously reported an exclusive label, and the chi square comparison of the conditions was significant, the manipulation here appears to be salient.

In addition, sample issues may account for the lack of significance for the comparison of Condition 7 versus Condition 8. Even though the experiment used random assignment, Condition 8 is demographically unique in several ways. Condition 8 had the least reported diversity of any condition with all subjects reporting either Caucasian ($n=32$), African-American ($n=6$) or other ($n=2$) for ethnicity. Condition 8 also skewed the most toward youth with 93% of subjects reporting that they were in the age 18 to 24 age range. In most other conditions, this age group made up 65% and 75% of the subjects. The gender divide was also the greatest in Condition 8, with males comprising 63% of the subjects and females comprising 37%. In most other conditions, the divide was much nearer to 50/50. But, perhaps most revealing is that more subjects in Condition 8 started taking the survey late at night than in any other condition. As shown

in Table 28, more subjects in Condition 8 started taking their surveys past 8:00 p.m. at night than in any other condition. The subjects were randomly assigned to experimental conditions, so this result, while unexpected, arose from random chance.

Considering Table 28, the subjects in Condition 8 may have been more fatigued than those in the other conditions. Fatigue could have affected subject responses to both MC1 and MC2, as tired individuals may have more difficulty paying attention or may be more inclined to hurry to finish as the day is nearing an end. Even without this anomaly, as discussed previously, Condition 8 also had a unique set of demographic qualities which could have also affected responses.

Table 28

Night Time Survey Taking

Number of Subjects taking the Survey past 8:00 p.m.				
	Cond. 1	Cond. 2	Cond. 3	Cond. 4
Experiment 1 (DVD/Blu-Ray)	8 (20.5%)	7 (17.5%)	8 (20.0%)	7 (17.9%)
	Cond. 5	Cond. 6	Cond. 7	Cond. 8
Experiment 2 (Vacuum)	8 (19.5%)	8 (19.0%)	7 (17.9%)	13 (32.5%)
*Percent of subjects in condition.				

For closer inspection, the frequencies from all experimental conditions can be seen organized in various ways across Tables 29, 30, and 31.

Table 29

MC2 Frequencies by Condition

Was an "exclusive" label on the item?									
	Cond.. 1		Cond. 3		Cond. 5		Cond. 7		Exclusive
Yes	22	56.4%	16	40%	23	56.1%	26	66.7%	
I don't know	13	33.3%	22	55%	11	26.8%	9	23.1%	
No	4	10.3%	1	2.5%	5	12.2%	3	7.7%	
Missing	0	0%	1	2.5%	2	4.9%	1	2.6%	
Total	39	100%	40	100%	41	100%	39	100%	
	DVD/Blu-ray				Vacuum Cleaner				Non-Exclusive
	Cond. 2		Cond. 4		Cond. 6		Cond. 8		
Yes	9	22.5%	4	10.3%	9	21.4%	10	24.4%	
I don't know	25	62.5%	28	71.8%	22	52.5%	15	36.6%	
No	6	15%	6	15.4%	9	21.4%	15	36.6%	
Missing	0	0%	1	2.6%	2	4.8%	1	2.4%	
Total	40	100%	39	100%	42	100%	41	100%	
Odd (even) numbered conditions = high (low) Attributes. Pearson Chi-Square results: value=70.7, df=14 , sig.=.000									

Table 30

MC2 Frequencies Overall Totals

	Exclusive		Non-Exclusive	
Yes	87	54.7%	32	19.8%
I don't Know	55	34.6%	90	55.6%
No	13	8.2%	36	22.2%
Missing	4	2.5%	4	2.5%
Total	159	100%	162	100%
Pearson Chi-Square results: value=44.6, df=2, sig.=.000				

Table 31

Overall Frequencies by Product

	DVD/Blu-Ray				Vacuum Cleaner			
	Exclusive		Non-Exclusive		Exclusive		Non-Exclusive	
Yes	38	48.1%	13	16.5%	49	61.3%	19	22.9%
I don't Know	35	44.3%	53	67.1%	20	25.0%	37	44.6%
No	5	6.3%	12	15.2%	8	10.0%	24	28.9%
Missing	1	1.3%	1	1.3%	3	3.8%	3	3.6%
Total	79	100%	79	100%	80	100%	83	100%
Pearson Chi-Square results: value=13.6, df=2, sig=.001								

Overall, when the exclusive label was present, the subjects were more likely to respond “Yes,” than “No.” Much the same way, when the label was not present, there were far fewer “Yes” responses.

The time spent looking at the images and taking the survey was also examined. Every subject was exposed to the image in the experimental condition for at least fifteen seconds. A fifteen second timer had to expire before subjects could move to the next page of the survey. A look at the time spent taking the survey in Condition 8, where the number of “I don’t know” and “No” responses was equal, also revealed no troublesome groups of responses. All but two subjects finished the survey in less than 30 minutes, with one finishing after 39 minutes, and one taking several hours. Taking the survey too quickly did not seem to be a problem either, as only two subjects managed to complete the survey in less than five minutes. Both of these subjects gave correct answers on manipulation checks.

Finally, the Cronbach alphas of perceived uniqueness among the eight experimental conditions were compared to see if the conditions may have influenced the

manipulation check measure. The Cronbach alphas for perceived-item-uniqueness by experimental condition are presented in Table 32.

Table 32

Perceived-Item-Uniqueness (MC1) Cronbach's Alphas

	Cond. 1	Cond. 3	Cond. 5	Cond. 7
Exclusive	0.812	0.74	0.798	0.518
	DVD/Blu-ray		Vacuum	
	Cond. 2	Cond. 4	Cond. 6	Cond. 8
Non-Exclusive	0.754	0.676	0.677	0.681
Overall alpha =.708	.738		.667	
Odd (even) numbered conditions = high (low) Attributes.				
Note: The Perceived-Item-Uniqueness scale is only used as a manipulation check.				

The alphas, with the exception of Condition 7, are more reliable in the exclusive conditions. The Cronbach's alphas in the non-exclusive conditions are less reliable, mirroring the same uncertainty shown in MC2 in Table 28. The low Cronbach's alpha in condition seven (exclusive, low attributes, vacuum) is low (i.e., below the recommended 0.70 level), and may have in part contributed to the low (.06) p-value for MC1. Notably, if the reverse scored item is removed from the scale in Condition 7, the alpha improves to .64. Thus, there is some evidence that the subjects were simply not paying attention as closely or misread the reverse scored item in Condition 7.

It should also be noted that experimental Condition 7 offered the rarest or most unusual scenario, a highly utilitarian product, with an exclusive label, with no exclusive attributes listed. It is unclear if such a product even exists in the marketplace, but this condition was included for experimental purposes. In such an unusual circumstance, some subjects may have interpreted the exclusive sticker making the product unique,

while others may have felt that the sticker meant very little without any exclusive attributes listed. Since DVD's and Blu-rays are routinely labeled with "exclusive" stickers, this corresponding condition in the DVD/Blu-ray experiment might have been seen as more believable, and thus yield a more consistent reliability. As discussed in Chapter 2 and shown in Figure 4, exclusivity strategies appear most common with products that have higher hedonic connotations.

Scale Reliabilities

Before conducting the MANOVAs, several checks and common data manipulations were performed. For example, correlations between variables were checked, composite scaled scores were created for each experiment, and scale reliabilities were examined for each experiment. The scale reliabilities for each experiment are shown in Table 33, and descriptive statistics are shown in Table 34. The correlations for each scale will be discussed later in Chapter 4.

Table 33

Scale Reliabilities

	DVD/Blu-Ray	Vacuum Cleaner	Overall
Attitude Toward Category	.712	.885	.909
Attitude Toward Retailer	.915	.955	.936
Attitude Toward Shopping	.928	.913	.921
Intention-To-Seek	.884	.848	.871
Purchase Intention	.833	.732	.815
Need for Uniqueness	.912	.930	.922
Price Consciousness	.922	.865	.899
Value Consciousness	.826	.783	.809
Sugraphobia	.685	.716	.699

Table 34

Descriptive Statistics for Scales (Overall Data Set)

	Items	Mean	Variance	Std. Deviation	alpha
Attitude Toward Category	5	15.98	31.44	5.60	.909
Attitude Toward Retailer	3	12.12	4.76	2.18	.936
Attitude Toward Shopping	5	16.12	23.30	4.82	.921
Intention-To-Seek	4	9.91	10.63	3.26	.871
Purchase Intention	3	9.30	5.31	2.30	.815
Need for Uniqueness	8	18.90	39.14	6.25	.922
Price Consciousness	5	16.24	18.05	4.24	.899
Value Consciousness	7	26.30	18.56	4.30	.809
Sugraphobia	5	23.28	19.52	4.41	.699

While most of the scales have reliabilities above the threshold of 0.70, the sugraphobia scale was not above 0.70 in all of the experimental conditions. Therefore, the sugraphobia scale was examined more closely in each condition in Table 35.

Again, the sugraphobia scale did not yield a consistent reliability among the conditions with Condition 8 (vacuum x non-exclusive x low attributes) even scoring as low as 0.483. This scale has a large discrepancy in reliability across conditions.

Table 35

Sugraphobia Reliabilities

Sugraphobia Reliabilities					
	Overall	Cond. 1	Cond. 2	Cond. 3	Cond. 4
Experiment 1 (DVD/Blu-Ray)	.685	.731	.706	.66	.609
		Exclusive w/High Attributes	Non- Exclusive w/High Attributes	Exclusive w/Low Attributes	Non- Exclusive w/Low Attributes
	Overall	Cond. 5	Cond. 6	Cond. 7	Cond. 8
Experiment 2 (Vacuum)	.716	.716	.831	.649	.483

However, as pointed out previously, Condition 8 is unique among the conditions in several ways. Overall, the sugraphobia scale is not reliable across all conditions and falls just short of reliability in the overall DVD/Blu-ray data set, and therefore, it will not be used in the examination of the data³.

So far, the data gathering process, demographics, manipulation checks, and scales have been discussed. Therefore, this dissertation will now move onto the results analysis. Correlations among the covariates and dependent variables will also be discussed in the results analysis section.

Results Analysis Overview

Two experiments were conducted - one for each product category. The experiment for the entertainment product category (i.e. the DVD/Blu-ray) will be referred to as Experiment 1, and the experiment featuring the home cleaning appliance category (i.e. the vacuum cleaner) will be called Experiment 2.

Experiment 1: DVD/Blu-ray Correlations Analysis

To begin, the correlations among the covariates and experimental variables will be examined. In the DVD/Blu-ray experiment, household income and need for uniqueness are not significantly correlated with any other covariates or independent variables. However, several significant correlations do exist, and they are demonstrated in Figure 23.

³ As an exploratory measure, the sugraphobia variable, while somewhat unreliable, was re-examined in the final experimental models presented in Chapter 4. An examination of the Wilks' Lamda statistic revealed that sugraphobia was non-significant in the DVD/Blu-ray experiment (value=.996, F=.127, p<.972) and the vacuum cleaner experiment (value=.957, F=1.334, p<.261)

Correlations								
		Gender	Age	Att. Tow. Retailer	Att. Tow. Shopping	Att. Tow. Category	Exclusiv.	Attributes
Gender	Pearson Correlation	1	-.073	.429**	.288**	-.035	-.057	.070
	Sig. (2-tailed)		.361	.000	.000	.665	.477	.382
	N	157	157	153	156	155	157	157
Age	Pearson Correlation	-.073	1	-.138	-.171	.002	-.044	-.076
	Sig. (2-tailed)	.361		.088	.033	.984	.588	.344
	N	157	157	153	156	155	157	157
Attitude Toward Retailer	Pearson Correlation	.429**	-.138	1	.280**	.138	.083	.018
	Sig. (2-tailed)	.000	.088		.000	.090	.307	.823
	N	153	153	153	152	151	153	153
Attitude Toward Shopping	Pearson Correlation	.288**	-.171	.280**	1	.006	-.138	.014
	Sig. (2-tailed)	.000	.033	.000		.937	.087	.858
	N	156	156	152	156	154	156	156
Attitude Toward Category	Pearson Correlation	-.035	.002	.138	.006	1	.468**	-.445**
	Sig. (2-tailed)	.665	.984	.090	.937		.000	.000
	N	155	155	151	154	156	156	156
Exclusivity	Pearson Correlation	-.057	-.044	.083	-.138	.468**	1	.013
	Sig. (2-tailed)	.477	.588	.307	.087	.000		.875
	N	157	157	153	156	156	158	158
Attributes	Pearson Correlation	.070	-.076	.018	.014	-.445**	.013	1
	Sig. (2-tailed)	.382	.344	.823	.858	.000	.875	
	N	157	157	153	156	156	158	158

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Figure 23 *Experiment 1 Covariate Correlation Matrix*

In Figure 23, attitude toward shopping is significantly correlated with gender, age, and attitude toward the retailer. Attitude toward the retailer is also significantly correlated with gender and age. Therefore, due to the number of significant correlations, attitude toward shopping and attitude toward the retailer were dropped as covariates to minimize the effects of multicollinearity. Multicollinearity would cause the covariates to be redundant with each other.

Attitude toward the category was significantly correlated with both the experimental variables. In the interest of examining how attitude toward the category may be affected in this experiment (per Research Question 2d), an ANOVA was

conducted using attitude toward the category as the dependent variable and one of the experimental variables, exclusivity, as the factor. The results of the ANOVA are shown in Table 36.

Table 36

Analysis of Variance Results for Attitude Toward the Category

	Attitude Toward Category		
	ANOVA Results		
	Df	F	Significance of F
<i>Main effects</i>			
Exclusivity	1	43.101	.000

Means and Standard Deviations			
Independent Variables	Means (S.D.)		n
Exclusive	3.69 (.697)		77
Non-Exclusive	4.32 (.497)		79
Overall	4.01 (.681)		156

In Table 36, in the non-exclusive conditions, attitude toward the category has a significantly higher mean than in the exclusive conditions. The manipulation of exclusivity appears to be affecting subjects' responses to the attitude toward the category scale. The subjects may have kept the product image in mind while answering the attitude toward the category items, and therefore, the results here might reflect the subjects' attitudes toward the product, rather than the category. Thus, attitude toward the category may have served as a surrogate for attitude toward the product. For this reason, attitude toward the category might be better suited as a dependent variable than a covariate. However, since attitude toward the category was not hypothesized as a dependent variable, this possibility will be considered as exploratory work later in this

dissertation. Next, the dependent variables were also examined for significant correlations. The correlation matrix is shown in Figure 24.

Correlations		Expected P.	Fair P.	Highest P.	Int. to Seek	Purch. Int.
Expected Price	Pearson Correlation	1	.671**	.497**	.036	-.063
	Sig. (2-tailed)		.000	.000	.667	.453
	N	147	128	144	142	144
Fair Price	Pearson Correlation	.671**	1	.746**	.144	.081
	Sig. (2-tailed)	.000		.000	.107	.363
	N	128	131	129	126	129
Highest Price Would Pay	Pearson Correlation	.497**	.746**	1	.115	.133
	Sig. (2-tailed)	.000	.000		.171	.113
	N	144	129	147	143	144
Intention to Seek	Pearson Correlation	.036	.144	.115	1	.696**
	Sig. (2-tailed)	.667	.107	.171		.000
	N	142	126	143	153	150
Purchase Intention	Pearson Correlation	-.063	.081	.133	.696**	1
	Sig. (2-tailed)	.453	.363	.113	.000	
	N	144	129	144	150	154

** Correlation is significant at the 0.01 level (2-tailed).

Figure 24 *Dependent Variable Correlations*

Several dependent variables are significantly correlated. Fair price is significantly correlated with expected price (Pearson = .671) and high price (Pearson = .746). Considering that fair price is highly significantly correlated with two other dependent variables and that one of these Pearson statistics is highly correlated at .746, fair price will be removed from the list of dependent variables because the two variables may be measuring the same construct. While Intention-To-Seek and purchase intentions are significantly correlated with a lower Pearson statistic of .696, they will both be left in the model. Unlike fair price, these variables are not significantly correlated with multiple dependent variables. Even though the Intention-To-Seek and purchase intention correlation is somewhat high (Pearson = .696), the MANOVA may yet reveal differences

among the dependent pricing variables. For example, in pre-test 1, need for uniqueness significantly influenced one pricing variable (fair price), but not others. Similarly, purchase intention and Intention-To-Seek will be left in the model.

Also, in regards to covariates, the attitudinal measures are based on Research Question 2. Some of these covariates were eliminated in the previous discussion. However, age and household income were chosen as suitable covariates to include in the MANOVAs. Since entertainment products, particularly films, are more heavily consumed by younger individuals, young adult may be more interested in the entertainment product than older adults (Motion Picture Association of America 2013). Per the MPAA, individuals 24 years old or younger bought 47% of all movie tickets in North America in 2013. Therefore, age seemed like a reasonable covariate for inclusion in the models. A second covariate, household income, was also used because one's income could be a reasonable predictor of pricing valuations, intentions to seek out a product, and purchase intentions. Gender, too, also seemed like a reasonable covariate to include.

Overall, after the eliminating covariates with multiple significant correlations, especially those with a high correlation, the initial model consisted of the experimental variables (exclusivity and attributes), the covariates (age, gender, household income), and three interactions (exclusivity * attributes, exclusivity * need for uniqueness, and exclusivity * value consciousness). The dependent variables include purchase intention, Intention-To-Seek, expected price, and highest price would pay. After analyzing this model, the three demographic covariates were all non-significant at the multivariate level. Starting with the least significant covariate, these variables were dropped one at a time in

consecutive MANOVAs. Each demographic covariate remained non-significant in each model. After removing these covariates, the Wilks' Lambdas shown in Table 37 demonstrate the multivariate results.

In summary, all variables used in the Experiment 1 multivariate model are non-significant. However, the two hypothesized covariates, Need for Uniqueness ($F=2.181$, $df=4$, $p<.075$) and Value Consciousness ($F=2.265$, $df=4$, $p<.066$) are both approaching multivariate significance.

Table 37

Experiment 1 Multivariate Effects

DV = Expected Price, Highest Price Would Pay, Intention-To-Seek, and Purchase

Intention					
Experiment 1 Multivariate Effects					
Variable(s)	Value	F	df	Error df	Wilks' Lambda Sig.
Intercept	.594	20.659	4	121	.000
<i>Experimental Factors</i>					
Exclusivity	.967	1.027	4	121	.396
Attributes	.964	1.124	4	121	.349
<i>Interactions</i>					
Exclusivity * Attributes	.975	.768	4	121	.548
Exclusivity * Need for	.984	.491	4	121	.743
Un. Exclusivity * Value	.973	.827	4	121	.511
Con.					
<i>Covariates</i>					
Need for Uniqueness	.933	2.181	4	121	.075
Value Consciousness	.930	2.265	4	121	.066

Since no variables were significant at the multivariate level, univariate results were not examined. Rather than pursue this model further, a second model was conducted for exploratory purposes.

Experiment 1: DVD/Blu-ray Exploratory Model

The exploratory model uses the same initial variables as the model in Experiment 1, but also includes attitude toward the category as a dependent variable. As in Experiment 1, the demographic covariates are dropped one by one. Unlike in Experiment 1, household income remains a significant covariate in the exploratory model. The exploratory model only uses the DVD/Blu-ray product category, and the MANOVA results for the exploratory model are in Table 38.

In the model, attributes ($F=14.09$, $df=5$, $p<.000$), the exclusivity * attributes interaction ($F=14.09$, $df=5$, $p<.000$), value consciousness ($F=2.324$, $df=5$, $p<.047$) and household income ($F=2.38$, $df=5$, $p<.042$) are significant at the multivariate level. The parameter estimate for the significant exclusivity * attributes interaction is .913.

Table 38

Exploratory Model Multivariate Effects

DV = Expected Price, Highest Price Would Pay, Intention-To-Seek,

Purchase Intention, and Attitude Toward Category

Exploratory Model Multivariate Effects					
Variable(s)	Value	F	df	Error df	Wilks' Lambda Sig.
Intercept	.358	41.605	5	116	.000
<i>Experimental Factors</i>					
Exclusivity	.919	2.036	5	116	.079
Attributes	.622	14.097	5	116	.000 ^a
<i>Interactions</i>					
Exclusivity * Attributes	.761	7.278	5	116	.000 ^a
Exclusivity * Need for Un.	.981	.444	5	116	.817
Exclusivity * Value Con.	.950	1.233	5	116	.298
<i>Covariates</i>					
Need for Uniqueness	.924	1.914	5	116	.097
Value Consciousness	.909	2.324	5	116	.047 ^b
Household Income	.907	2.384	5	116	.042 ^c
^a Univariate significance for dependent variable Attitude Towards Category					
^b Univariate significance for dependent variable Expected Price					
^c Univariate significance for dependent variable Purchase Intention					

Exploratory Model Univariate Results

An examination of the univariate results can be found in Table 39.

Table 39

Univariate Results for Exploratory Model

Analysis of variance results for DV Expected Price and Purchase Intention									
	Attitude To. Category			Expected Price			Purchase Intention		
	df	F	Sig. of F	df	F	Sig. of F	Df	F	Sig. of F
<i>Main effects</i>									
Exclusivity	1	4.77	.031 ^b	1	2.00	.159	1	.457	.500
Attributes	1	61.00	.000	1	.635	.427	1	.912	.341
<i>Two-way interactions</i>									
Exclusivity * Attrib.	1	30.68	.000	1	.244	.622	1	1.347	.248
Exclusivity * Need for Uni.	1	.111	.739	1	.190	.664	1	.572	.451
Exclusivity * Value Consc.	1	1.772	.186	1	2.081	.152	1	.166	.685
<i>Covariates</i>									
Need for Uniqueness	1	1.714	.193	1	1.952	.165	1	.001	.975
Value Consciousness	1	4.039	.047	1	5.685	.019	1	.082	.774
Household Income	1	.793	.375	1	.104	.747	1	8.966	.003
^a For the dependent variable Intention-To-Seek, no variables were significant at the multivariate level. Therefore, univariate results are not given.									
^b Effect was not significant at the multivariate level									

Exclusivity remains non-significant, but attributes ($F=61.00$, $p<0.000$, $\beta=.191$), the exclusivity * attributes interaction ($F=30.68$, $p<0.000$, $\beta=.913$), and value consciousness become significant ($F=4.039$, $p<0.047$, $\beta=.122$) for attitude toward the category. Value consciousness also becomes significant ($F=5.685$, $p<0.019$, $\beta=2.769$) for expected price, and household income became significant ($F=8.966$, $p<0.003$, $\beta=-.089$) for purchase intention.

Using the DVD/Blu-ray product, Table 40 examines the main effects of exclusivity on the attitude toward the category dependent variable and reveals that the means are significantly lower in the exclusive conditions. This surprising result seems to reveal that exclusivity may harm, rather than improve the subjects' attitude toward the category. Table 41 and Figure 25 give an even closer examination of the means by experimental condition.

Table 40

One-Way ANOVA, Exploratory Model (DVD/Blu-ray)

Independent Variable = Exclusivity, DV = Attitude Toward Category

One-way Analysis of Variance Results for Attitude Toward Category			
	Attitude Toward Category		
	df	F	Sig. of F
<i>Main effects</i>			
Exclusivity	1	15.757	.000
Means and stand deviations			
Independent Variables	Mean (S.D.)		
	n	Attitude Toward Category	
Exclusive	77	3.69 (.0697)	
Non-Exclusive	79	4.32 (.0497)	
Overall mean	156	4.01 (.681)	

Table 41

Means for Attitude Toward the Category by Condition

Means and stand deviations		
Condition	N	Mean (S.D.)
		Attitude Toward Category
Exclusive / High Attributes	39	3.14 (.034)
Non-Exclusive / High Attributes	40	4.26 (.523)
Exclusive / Low Attributes	38	4.24 (.570)
Non-Exclusive / Low Attributes	39	4.38 (.467)
Overall mean	156	4.01 (.681)

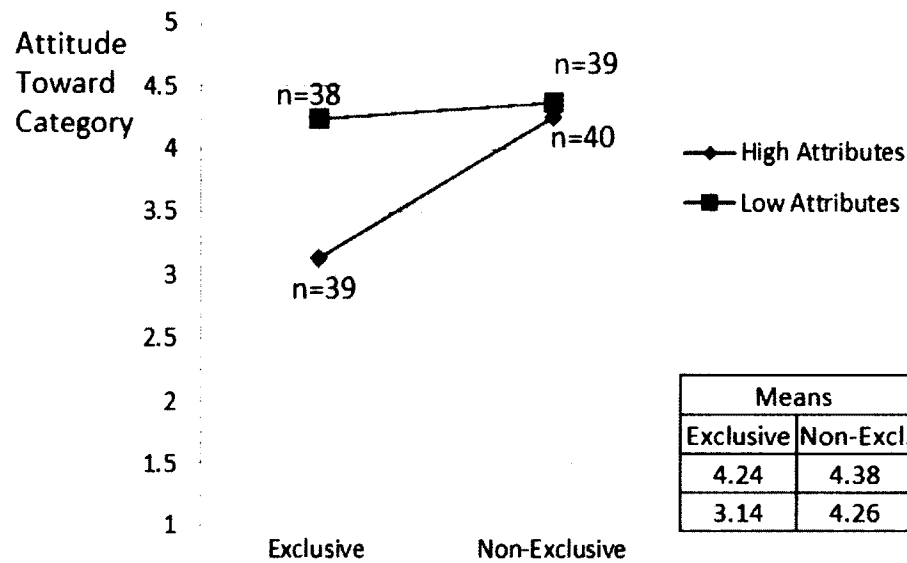


Figure 25 Means for Attitude Toward the Category by Condition

The exclusive conditions have lower means for attitude toward the category than in either non-exclusive mean. Whether the number of attributes is high or low, exclusivity lowers the mean when compared to the condition with the corresponding number of attributes. In fact, the condition featuring exclusivity and the highest number of attributes has the lowest mean (3.14) and the product without exclusivity and in the low attributes condition has the highest mean (4.38). Assuming the product image served to influence the attitude toward the category responses in this experiment, it would appear that consumers prefer a “plain” product – a product with only few attributes and no-exclusivity. Potential theoretical reasons for this preference will be discussed in Chapter 5.

Experiment 2: Vacuum Cleaner

Similar to Experiment 1, Experiment 2 began with an examination of the covariate and experimental variable correlations. No covariates in this data set were significantly correlated with the experimental variables. Income level and value

consciousness were not significantly correlated with any other covariates. Therefore, Figure 26 only shows covariates with significant relationships to one another.

Similar to Experiment 1, several covariates are significantly correlated with one another. Attitude toward shopping is significantly correlated with four other covariates, and attitude toward the retailer is significantly correlated with three other covariates. Due to the number of significant correlations, these two covariates were removed from the model to minimize multicollinearity. The remaining covariates were gender, age, household income, attitude toward the category, need for uniqueness and value consciousness.

Correlations							
		Gender	Age Group	Need for Uniquen.	Att. Toward the Retailer	Att. Tow. Shopping	Att. Toward Category
Gender	Pearson Correlation	1	.015	.092	.304*	.383*	.062
	Sig. (2-tailed)		.853	.260	.000	.000	.446
	N	157	157	150	154	155	155
Age Group	Pearson Correlation	.015	1	.110	-.179	-.173	.079
	Sig. (2-tailed)	.853		.182	.026	.031	.332
	N	157	157	150	154	155	155
Need for Uniqueness	Pearson Correlation	.092	.110	1	-.049	.096	.219
	Sig. (2-tailed)	.260	.182		.553	.244	.007
	N	150	150	150	147	149	148
Attitude Toward the Retailer	Pearson Correlation	.304*	-.179	-.049	1	.362*	.125
	Sig. (2-tailed)	.000	.026	.553		.000	.125
	N	154	154	147	154	152	152
Attitude Toward Shopping	Pearson Correlation	.383*	-.173	.096	.362*	1	.206
	Sig. (2-tailed)	.000	.031	.244	.000		.011
	N	155	155	149	152	155	153
Attitude Toward Category	Pearson Correlation	.062	.079	.219*	.125	.206	1
	Sig. (2-tailed)	.446	.332	.007	.125	.011	
	N	155	155	148	152	153	160

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Figure 26 Covariate Correlation Matrix

Next, the dependent variables were also examined for correlations. The dependent variable correlation matrix can be seen in Figure 27. Again, similar to Experiment 1, fair price was highly significantly correlated with expected price (Pearson

= .854) and highest price a subject would pay (Pearson = .893). And again like Experiment 1, these correlations were high enough that the fair price variable was removed from the dependent variable list. While the highest price and expected price correlation (Pearson = .757) was higher than preferable, both were left in the model in case subtle differences existed between the two dependent variables.

Similarly, the significant correlation between purchase intention and Intention-To-Seek (Pearson = .674) was nearly identical to the significant correlation in Experiment 1 (Pearson = .696). However, as Experiment 1 revealed, one covariate was significant for purchase intention, while none were significant for Intention-To-Seek. Therefore, both of these dependent variables were left in the model. Overall, due to the extremely similar correlation matrix, the dependent variables in Experiment 2 are the same as in Experiment 1.

Correlations						
		Expected P.	Fair P.	Highest P.	Int. to Seek	Pur. Intent.
Expected Price	Pearson Correlation	1	.854**	.757**	.000	-.061
	Sig. (2-tailed)		.000	.000	.996	.466
	N	151	135	151	144	147
Fair Price	Pearson Correlation	.854**	1	.893**	.105	.100
	Sig. (2-tailed)	.000		.000	.225	.245
	N	135	142	142	135	138
Highest Price	Pearson Correlation	.757**	.893**	1	.178	.173
	Sig. (2-tailed)	.000	.000		.028	.031
	N	151	142	160	153	156
Intention to Seek	Pearson Correlation	.000	.105	.178	1	.674**
	Sig. (2-tailed)	.996	.225	.028		.000
	N	144	135	153	156	154
Purchase Intention	Pearson Correlation	-.061	.100	.173	.674**	1
	Sig. (2-tailed)	.466	.245	.031	.000	
	N	147	138	156	154	159

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Figure 27 *Dependent Variable Correlation Matrix*

The overall model included the experimental variables (exclusivity and attributes), the covariates (age, gender, household income, and attitude toward the category), and three interactions (exclusivity * attributes, exclusivity * need for uniqueness, and exclusivity * value consciousness). The dependent variables included purchase intention, Intention-To-Seek, expected price, and highest price would pay. After analyzing this model, the three demographic covariates were all non-significant at the multivariate level. Attitude toward the category was also a non-significant covariate. Starting with the least significant covariate, these variables were dropped one at a time in consecutive MANOVAs. After removing these covariates, the Wilks' Lambdas shown in Table 42 demonstrate the multivariate results.

Table 42

Experiment 2 Multivariate Effects

DV = Expected Price, Highest Price Would Pay, Intention-To-Seek, and Purchase Intention

Experiment 2 Multivariate Effects					
Variable(s)	Value	F	df	Error df	Wilks' Lambda Sig.
Intercept	.725	11.477	4	121	.000
<i>Experimental Factors</i>					
Exclusivity	.997	.076	4	121	.989
Attributes	.909	3.024	4	121	.020 ^{ab}
<i>Interactions</i>					
Exclusivity * Attributes	.987	.405	4	121	.805
Exclusivity * Need for Un.	.953	1.482	4	121	.212
Exclusivity * Value Con.	.986	.430	4	121	.786
<i>Covariates</i>					
Need for Uniqueness	.925	2.443	4	121	.050 ^{ab}
Value Consciousness	.979	.640	4	121	.635

^aUnivariate significance for dependent variable Intention-To-Seek

^bUnivariate significance for dependent variable Purchase Intention

A one-way ANOVA using attributes as the factor and purchase intention as the dependent variable reveals that subjects in the high attributes listed condition have a significantly ($F=7.923$, $p<.006$) lower mean (2.72) than the mean of those in the low attributes listed condition (3.00). Another one-way ANOVA using attributes as the factor and Intention-To-Seek as the dependent variable reveals similar results, with those in the low attributes condition holding a significantly ($F=7.87$, $p<.006$) higher mean (2.50) than the mean of those in the high attribute condition (2.17). As in the exploratory model, a higher number of attributes is associated with lowered intentions to seek and purchase the advertised vacuum cleaner (i.e., decreasing mean values among the dependent variables).

Need for uniqueness is also a significant predictor of both Intention-To-Seek ($F=7.219$, $p<.008$, $\beta=.218$) and purchase intention ($F=3.781$, $p<.054$, $\beta=.149$). These results are in contrast to Experiment 1, where the Wilks' Lambdas reveal that only value consciousness is near significance (value=.930, $F=2.265$, $p<.066$) at the multivariate level.

Results Summary

While the results from each individual experiment were given earlier, this section attempts to more clearly summarize the results for Experiments 1 and 2 for easier comparison in regards to Research Questions 1, 2, and 3. The results presented overall in Chapter 4 and more succinctly in this summary will be discussed in-depth in Chapter 5. However, the results for the exploratory model were not part of the original research design and will not be summarized in light of Research Questions 1, 2, and 3. Instead, the results for the exploratory model are available in Tables 38, 39, and 40. However, the exploratory model will be re-visited in Chapter 5.

Table 44 gives the Wilks' Lambdas significance levels for all main effects, interactions, and significant covariates for Experiments 1 and 2. In its footnotes, Table 44 also gives the univariate results for variables significant at the multivariate level. More detailed charts for each main experiment were given previously in Tables 37 and 42. Table 44 will be referred to through the results summary section.

In Table 44, Experiment 1 does not yield any significant results. Experiment 2, which features the vacuum cleaner, contains two variables that are significant at the multivariate level, attributes ($F=3.024$, $df=4$, $p<.02$) and need for uniqueness ($F<2.443$, $df=4$, $p<.05$). In Experiment 2, attributes is significant at the univariate level for Intention-To-Seek ($F=8.81$, $p<.004$, $\beta=.321$) and purchase intention ($F=8.09$, $p<.005$, $\beta=.271$). Also in Experiment 2, need for uniqueness is significant for the same two attributes, Intention-To-Seek ($F=7.219$, $p<.008$, $\beta=.218$) and purchase intentions ($F=3.781$, $p<.054$, $\beta=.149$).

Table 44

Multivariate and Univariate Summary Table

Multivariate and Univariate Summary Table				
Variable(s)	Wilks' Lambda Sig.			
	Exp. 1 DVD/Blu-ray		Exp. 2 Vacuum	
	F	p-value	F	p-value
<i>Main Effects</i>				
Exclusivity	1.027	.396	.076	.989
Attributes	1.124	.349	3.024	.020 ^{ab}
<i>Interactions</i>				
Exclusivity* Attributes	.768	.548	.405	.805
Exclusivity* Need for Uniq.	.491	.743	1.482	.212
Exclusivity* Value Consciousn.	.827	.511	.430	.786
<i>Covariates</i>				
Need for Uniqueness	2.181	.075	2.443	.050 ^{cd}
Value Consciousness	2.265	.066	.640	.635
^a Univariate significance for DV Intention-To-Seek (F=8.81, p<.004, β =.321)				
^b Univariate significance for DV Purchase Intention (F=8.09, p<.005, β =.271)				
^c Univariate significance for DV Intention-To-Seek (F= 7.219, p<.008, β =.218)				
^d Univariate significance for DV Purchase Intention (F=3.781, p<.054, β =.149).				

DV = Expected Price, Highest Price Would Pay, Intention-To-Seek, and Purchase Intention

Research Question 1 Summary

Table 45 summarizes Research Question 1. Exclusivity has no statistically significant effect on the subjects' decision making processes at the multivariate level. This result is surprising in light of the commonplace presence of exclusivity promotions discussed in Chapter 2. Exclusivity functions the same in both product categories in that it does not affect the subjects' responses at all.

Table 45

Research Question 1 Summary

Research Question 1		Experiment 1	Experiment 2
Does an Exclusive ^a products strategy...		DVD/Blu-ray	Vacuum
a.	increase price expectations?	No	No
b.	increase fair price beliefs? ^b	N/A	N/A
c.	increase willingness to pay a higher price?	No	No
d.	increase purchase intention?	No	No
e.	increase Intention-To-Seek out a product?	No	No
f.	have differing levels of effectiveness among different product categories?	No	

^aExclusivity as a main effect was never significant at the multivariate level. Therefore, univariate tests are not reported.

^bFair price was removed as a dependent variable due to a high number of significant correlations and high Pearson correlations with other dependent pricing variables.

Research Question 2 Summary

Research Question 2 considers how various individual traits and general attitudes are related to how consumers perceive an exclusive offer. Previously, in the research summary section, Table 44 gave Wilks' Lambdas significances for all covariates included in the MANOVAs. In summary, out of all the covariates, only need for uniqueness is significant at the multivariate level ($F=2.443$, $df=4$, $p<.05$), and then, only for Experiment 2. This result will be discussed in more detail in a moment.

It should be noted that most covariates discussed in Research Question 2 were removed either prior to or during the process of refining the models. Attitude toward the retailer and attitude toward shopping were both removed prior to running the MANOVAs due to a high number of significant correlations with other covariates. All other covariates, except for need for uniqueness and value consciousness, were removed from

the MANOVAs one by one in consecutive MANOVAs because they were non-significant at the multivariate level. Although not listed in Research Question 2, age, gender, and household income were also included in the MANOVAs as covariates. These demographic covariates were also removed due to non-significance at the multivariate level.

Need for uniqueness and value consciousness were left in the MANOVAs for two reasons. First, as discussed in Chapter 2, need for uniqueness was left in the model on the basis of Barone and Roy's (2010_a) work, and value consciousness was included on the basis that the additional features offered by exclusive products might offer an increased appeal to value conscious shoppers. Second, the data from pre-tests 1 indicated a heightened possibility for statistically significant results for these covariates.

Specifically, in pre-test 1 need for uniqueness was significant for expected price ($F=6.018$, $p<.028$) and approaching significance ($F=3.137$, $p<.09$) for Intention-To-Seek. Also in pre-test one, value consciousness was significant ($F=6.455$, $p<.01$) for Intention-To-Seek and purchase intention ($F=4.15$, $p<.05$). However, it should be noted that pre-test one only used one-way ANOVAs and used a split data set which sorted respondents into high and low need for uniqueness groups. It also used a second split data set that sorted individuals into high and low value consciousness groups. So, while the pre-test one results are not directly comparable to the main study results, they did provide enough preliminary evidence to support the continued inclusion of value consciousness and need for uniqueness as covariates.

Indeed, similar to pre-test 1, in Experiment 1 value consciousness approaches significance at the multivariate level ($F=2.265$, $df=4$, $p<.066$), and need for uniqueness

also approaches multivariate significance ($F=2.181$, $df=4$, $p<.075$). However, need for uniqueness is significant ($F=2.443$, $df=4$, $p<.05$) at the multivariate level in Experiment 2. At the univariate level in Experiment 2, need for uniqueness is significant for purchase intention ($F= 7.219$, $p<.008$, $\beta=.218$) and Intention-To-Seek ($F=3.781$, $p<.054$, $\beta=.149$). In both situations, increasing levels of need for uniqueness are associated with increases in the dependent variables. Overall, no covariates are significant at the multivariate level for the DVD/Blu-ray (Experiment 1) and need for uniqueness is the only significant covariate at the multivariate level for the vacuum (Experiment 2).

Research Question 3 Summary

Research Question 3 deals with the relationship between attributes and the dependent variables discussed in Research Question 1. Table 46 presents Research Question 3 in table form. Per Table 44, the attributes main effect is non-significant ($F=1.124$, $df=4$, $p<.349$) at the multivariate level in Experiment 1. Therefore, univariate p-values for Experiment 1 are not given. However, as also shown in Table 44, attributes is statistically significant at the multivariate level ($F=3.024$, $df=4$, $p<.02$). An inspection of the univariate results reveals that attributes is significant for purchase intention ($F=8.81$ $p<.004$, $\beta= .321$) and Intention-To-Seek out the product ($F=8.09$, $p<.005$, $\beta=.271$).

Table 46

Research Question 3 Summary

Research Question 3 Did the number of attributes presented...		Experiment 1	Experiment 2
		DVD/Blu-ray ^a	Vacuum ^a
1a.	increase price expectations?	No	No
1b.	increase fair price beliefs? ^c	N/A	N/A
1c.	increase willingness to pay a higher price?	No	No
1d.	increase purchase intention?	No	No, decreases (F=8.81 p<.004, β=.321)
1e.	increase Intention-To-Seek out a product?	No	No, decreases (F=8.09, p<.005, β=.271)
1f.	have differing levels of effectiveness among different product categories?	Yes	

^aUnivariate F values, p-values and parameter estimates given only if multivariate significance is achieved.

^bFair price was removed as a dependent variable due to a high number of significant correlations and high Pearson correlations with other dependent pricing variables.

Overall, a higher number of attributes listed created decreased intentions to seek and purchase intentions for the vacuum cleaner, but not for the DVD/Blu-ray. This indicates that the number of features or types of features listed for each product category have differing levels of effectiveness between the two product categories. So far, the collection of the data, manipulation checks, scales, and results have been discussed at length. Now, Chapter 5 of this dissertation will present the discussion of the results, limitations, and future research.

CHAPTER 5

DISCUSSION OF FINDINGS, LIMITATIONS, AND FUTURE RESEARCH

Exclusivity and Attributes Summary

While Chapter 2 demonstrated that exclusivity promotions can be found at a variety of retailers and in a variety of product categories, the results in all experiments show that the exclusivity treatment does not give a significant effect for the four dependent variables used in Experiments 1 and 2 – expected price, highest price would pay, Intention-To-Seek, and purchase intention. This finding is somewhat surprising considering the multitude of “exclusive” products available in the marketplace (see Figures 1, 2, 3, and 4 for examples). However, several theoretical possibilities exist for the ineffectiveness of the exclusivity treatment.

To begin, although exclusivity was examined separately, it could be viewed as a specific product attribute, a potentially “trivial” attribute, as discussed in Chapter 2. Considering that exclusivity held no multivariate effect in either experiment, this possibility seems likely. The effects of a trivial attribute can range from positive to negative, including no effect at all. As Brown and Carpenter (2000) point out, trivial attributes are viewed by consumers as “positive in some cases and negative in others” (p. 373). Therefore, the discussion of exclusivity and attributes will overlap. In this work, if

viewed as a trivial attribute, exclusivity meets the idea of triviality perfectly as it is truly “trivial” or meaningless in subjects’ eyes.

Indeed, the results presented several of potential interpretations and are in-line with Brown and Carpenter’s (2000) work which suggested that choice and setting can have a large impact on how trivial attributes are viewed. As Brown and Carpenter (2000) pointed out in their discussion of trivial attributes, “consumers use them [trivial attributes] in a somewhat sophisticated manner” depending upon the context (p. 373). Context may play a role in how trivial attributes affect consumer behavior. The attributes, brands, products, situation, etc., may all play a role in decision making and determine how attributes are perceived.

Furthermore, the attributes themselves are a part of the decision making context. In Experiment 1 perhaps the specific types of attributes used in the experiment were seen as irrelevant by the subjects. For example, many subjects may see features outside of the main movie as superfluous in the DVD/Blu-ray condition. Also, as demonstrated in Figures 2, 3, and 11, exclusive features such as behind-the-scenes footage or interviews are common in the DVD/Blu-ray category, and perhaps the subjects did not view the “exclusive” features as offering enough value or unique “enough” to alter their responses. After all, no main effects, covariates, or interactions were statistically significant in Experiment 1.

Therefore, perhaps the nature of the exclusive attributes, and not the exclusivity itself, creates value in subjects’ eyes. If the exclusive attributes are not worthwhile, then consumers may not care about them or the idea of “exclusivity.” However, if the

attributes are meaningfully unique, perhaps subjects' responses would differ. Experiment 2 (vacuum) offers a glimpse into this possibility.

In Experiment 2, the high attributes condition listed three additional attributes over the low attributes condition. These attributes were the text "works on all floor types," and "ultra lightweight" which are not unique traits to the vacuum in the ad, and the notion that the color, red, was exclusive to Target stores. The color of the vacuum has no impact on the actual functioning of the vacuum cleaner. However, a product that is primarily utilitarian in nature being promoted on the basis of an exclusive color, a hedonic feature, might be seen as less appealing; the exclusive feature may be seen as superfluous or as an advertising gimmick. This idea seems to hold true as the high attributes conditions had significantly lower means for intentions to seek and purchase intentions than the low attributes conditions. In this case, the additional "trivial" attributes may have harmed purchase intentions and intentions to seek.

In addition to Brown and Carpenter's assertion that trivial attributes can have positive or negative effects, this reasoning is further supported by Simonson et al. (1993, 1994). Their work, as summarized by Brown and Carpenter (2000, 373) suggests that trivial attributes "are sometimes indicators that the product is inferior on other dimensions." For example, if the vacuum cleaner has excellent suction power, why would an ad choose to focus on an exclusive color? The exclusive color attribute is much less relevant to the central purpose of the vacuum. Therefore, as an example, consumers may question the vacuum's suction power since the attention to that attribute is diminished through the prominence of the "exclusive color" featured in the ad. This

would be in line with Simonson et al.'s suggestion that trivial attributes can harm product impressions.

Meyvis and Janiszewski (2002, p. 618) also provide some evidence for the negative effect of non-essential product information/attributes. Their work points out that in their course of search for product information, consumers may encounter “irrelevant information.” If consumers have in mind the “desired benefit” of the product, and the additional information does not serve to reinforce the idea that “the product will deliver the desired benefit,” the additional information may negatively affect consumers’ assessment of a product. In other words, the extraneous, irrelevant information may “dilute” the perception of the product’s effectiveness. In the words of Meyvis and Janiszewski (2002, 618), the irrelevant information is classified as “irrelevant or disconfirming, as not confirming [that the product meets the desired benefit]. As a consequence, irrelevant information weakens consumers’ beliefs in the product’s ability to deliver the benefit.”

While this research did not test for a “dilution” effect, in the case of the vacuum cleaner “exclusivity” and the hedonic attribute, the color red, were not relevant to the utilitarian benefits provided by the vacuum (clean floors, strong suction, etc.). And, the result was a decreased Intention-To-Seek or purchase the product. These results seem in line with Meyvis and Janiszewski’s work (2002).

Bastardi and Shafir (1998) provide some evidence to support the findings within our scenerios. Their work focuses on the use of noninstrumental and instrumental information in decision making. They suggest that *instrumental* information can alter what decision is made. And, *noninstrumental* information is information that would

normally not have instrumental value if it was “were directly available” (p. 20). Bastardi and Shafir point out that noninstrumental information is sometimes treated as instrumental information if an individual has to pursue such information. Then, information that might normally go unnoticed (noninstrumental information) becomes treated as instrumental in the decision making process.

In effect, while consumers are seeking out the exclusive product attributes, they are actually researching the nature of the exclusivity (e.g. What makes this product exclusive?). Thus, attributes that might normally be noninstrumental (e.g. the color of the product) become instrumental to the decision making process simply because the consumer has to seek them out. If the attributes are trivial in nature, then the search process has likely enhanced the relevance of the noninstrumental, trivial information.

Hence, the trivial information (attributes) could become instrumental in the decision making process. Therefore, while the exclusivity itself might be non-significant, it may serve to amplify noninstrumental information about the product. Indeed, as discussed in Chapter 2, the idea of exclusivity suggests importance. When trivial attributes, especially those that are not related to the product’s fundamental use, are elevated in importance, then attitudes toward the product could be harmed. Overall, this line of thought is in line with Bastardi and Shafir (1998) work on instrumental and noninstrumental information.

In summary, the results from both experiments indicate that the idea of exclusivity in isolation has no effect on consumers, at least for the product categories explored in this dissertation. The nature of the exclusive attributes appears much more important, with the high attributes conditions in Experiment 2 producing decreased

purchase intentions and intentions to seek. In accordance with Meyvis and Janiszewski (2002), Simonson et al. (1993, 1994), and Bastardi and Shafir (1998), the irrelevant or “trivial” features and information not relevant to the product’s task may have harmed the subjects’ intentions to seek and purchase intentions in Experiment 2.

Individual Attributes (Covariates) Results Discussion

In Experiment 2, need for uniqueness, in addition to attributes, is also a significant predictor of Intention-To-Seek and purchase intention. But, rather than having a negative relationship, increasing levels of need for uniqueness result in increased purchase intentions and intentions to seek. In Experiment 2, unlike Experiment 1, the product features may have been unique enough to influence a change in the subjects’ responses. As prior research has indicated, need for uniqueness is a universal trait (Fromkin 1972; Burns and Brady 1992; Snyder 1992) that can be exhibited through the “acquisition and display of distinctive products” (Ruvio et al. 2008, p. 33). In Experiment 2, the hedonic attribute, the color, may have appealed to those who have a higher need for uniqueness. An ad image featuring a utilitarian product (vacuum) mixed with a primarily hedonic feature, the color⁴, may have seemed unusual or interesting enough to more highly appeal to individuals with higher levels of need for uniqueness. However, unlike Barone and Roy’s (2010_a) work which theorized that individuals with a higher need for uniqueness might find deal exclusivity more appealing, this work implies that with physical products, attributes are more influential than the idea of exclusivity.

⁴During the survey, respondents were asked their favorite color. One-way ANOVA’s revealed that favorite color was a highly non-significant predictor of purchase intention ($F=.145$, $p<.177$) and Intention-To-Seek ($F=.804$, $p<.60$).

The other covariate, value consciousness, is not significant in either experiment, but did near significance at the multivariate level ($p < .06$) in the DVD/Vacuum condition. All other covariates were removed due to multiple correlations with one another or because they fell out of the model due to non-significance. Generally, the individual traits used as covariates are not effective predictors this work.

Exploratory Model Discussion

Perhaps the most interesting fact about the exploratory model, which used the DVD/Blu-ray, is that the exclusivity * attributes interaction is highly significant at the multivariate level ($F=7.278$, $p < .000$). The condition which featured exclusivity and high attributes resulted in the lowest mean score for attitude toward the category of all the four conditions in the experiment. And, the DVD/Blu-ray in the non-exclusive, low attributes condition featured the highest attitude toward the category mean score. Table 41 will be shown again as Table 47 to better visualize this result. For greater clarification, examine the graphical representation shown in Figure 28.

Table 47

Means for Attitude Toward the Category by Condition

Means and stand deviations		
Condition	N	Mean (S.D.)
		Attitude Toward Category
Exclusive / High Attributes	39	3.14 (.034)
Non-Exclusive / High Attributes	40	4.26 (.523)
Exclusive / Low Attributes	38	4.24 (.570)
Non-Exclusive / Low Attributes	39	4.38 (.467)
Overall mean	156	4.01 (.681)

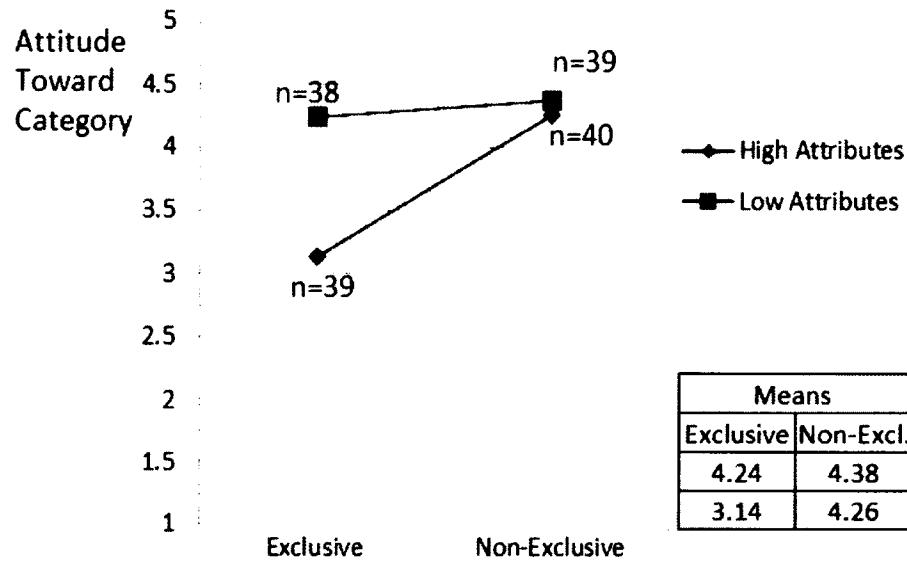


Figure 28 Means for Attitude Toward the Category by Condition

While not theorized, this result provides some evidence that the previous discussion of exclusivity in relation to instrumental and noninstrumental information may hold true (Bastardi and Shafir 1998). If noninstrumental information about trivial attributes can harm product perceptions, especially when consumers are forced to seek out the noninstrumental data (which causes it to be used as instrumental data), then exclusivity may trigger this process. In effect, exclusivity promotions, rather than emphasizing positive features about a product, may be emphasizing useless features that harm consumer perceptions of the product.

To ensure that varying levels of trust among the conditions were not affecting the results, an ANOVA was ran using the experimental condition as the factor and the sugraphobia variable the dependent variable. The ANOVA revealed no significant differences ($F=.911$, $df=3$, $p<.438$) across the four conditions in regards to sugraphobia.

Theoretical Contributions

In preparing this dissertation, a clear gap between the academic idea of exclusivity, which focused almost entirely on luxury products, and marketplace examples of exclusive goods, which included a broad spectrum of products, became obvious. Therefore, the first contribution is the acknowledgement that academic ideas about exclusivity are somewhat one-dimensional, or focused almost entirely on luxury, which is not reflective of real-world conditions. In the marketplace, an “exclusive” product may refer to any range of items from a variety of product categories at a variety of retailers. While the notion of implied exclusivity associated with luxury is also present in the marketplace, the idea of exclusivity is not narrowly defined to one class of product.

This work has also attempted to provide a definition for exclusivity from a consumer behavior standpoint. And, a typology (Table 2) demonstrating the differing types of exclusivity was developed to better differentiate between the various types of exclusivity. The definition and typology provide a starting point for other researchers who may wish to use or improve upon them in future work.

Also, the idea of exclusivity as an advertising promotion has been shown to be ineffective by itself, but may serve to amplify the importance of the “exclusive” attributes that are referenced by the exclusive labeling. This work answers a call from the *Journal of Retailing* (Sorescu et al. 2011) about “innovations in retailing” and adds to the body of knowledge about this form of promotion.

Managerial Contributions

Overall, while it may be possible for certain exclusivity and attribute combinations to increase consumers’ perceptions of a product, Experiment 2 indicated

that additional (trivial) attributes may harm consumers' valuations of a product. And, the exploratory model seems to imply that exclusivity amplifies the importance of these attributes, converting them from noninstrumental to instrumental pieces of decision making information (Bastardi and Shafir 1998). If this is true, then managers and marketing personnel should take care to ensure that the exclusive attributes offered are truly worthwhile to the consumer. Otherwise, an exclusive products strategy may have the opposite of intended effect.

However, even if the subjects did have a more negative perception of the product category in the exclusive / high attributes condition, the interaction between attributes and exclusivity did not affect Intention-To-Seek, purchase intention, expected price, or highest price would pay. This indicates that while the exclusivity * attributes interaction affected attitude toward the category, it did not affect any other dependent variable, so any negative effects resulting from an exclusive strategy may be limited.

Limitations

First, the sample used in these studies is a limitation common to using a student sample. The age, demographics, and regional nature of the sample are not representative of a national sample. The types of products, a vacuum cleaner and DVD/Blu-ray combo pack also present limitations. Because these individual products are unique, they may not be the best representative products from their respective categories, and the findings from these two product categories may not necessarily be relevant for other product categories.

The type and quantity of attributes is also a study limitation. All of the exclusive attributes in this dissertation were based on real-world advertisements and modified to fit this work. However, other types of exclusive attributes could also be found for both the

product categories. For the sake of consistency, this work focused on attributes that were hedonic in nature.

Another limitation involves the use of the Captain America, Dyson, and Target brands. Some subjects may have more or less familiarity with these brands, and therefore, the subjects may have a variety of pre-conceived feelings about these brands. Therefore, their use was carefully considered for inclusion in the experiments. A more in-depth discussion of the pros and cons of using real brands and retailers or fake brands and retailers was given in Chapter 3.

Future Research

As discussed in the results summary, exclusivity may function to emphasize the importance of specific product attributes. More research should focus on verifying this finding and better explaining the mechanism by which it works. While the experiments in this dissertation used trivial attributes which may have harmed product valuations in some circumstances, it may be possible to use exclusivity promotions to emphasize attributes that better increase product valuations in consumers' eyes.

Next, since "exclusive items" can range from high-end luxury items to inexpensive items, the number of products and product categories that exclusivity research may be applicable is quite large. Exclusivity, especially the labeling of products and advertisements using exclusivity language, is an advertising and retailing phenomenon that may be more or less effective depending upon the product and retailer. While this work examined two product categories, much more work is needed to determine when offering exclusive products and exclusive advertising are most beneficial or harmful. The relationship between attributes, the type and quantity of attributes, and

the types of products may also be important. For example, in the examination of the utilitarian product category (the vacuum cleaner), the presence of an exclusive color, a non-utilitarian attribute in this case, limits the findings. Both experiments used attributes that were more hedonic and enjoyable, than utilitarian in nature.

In future research, more examination should be given to situations in which the exclusive attributes “match” or don’t “match” the type of product. For example, a product that is primarily used for utilitarian purposes may have more appeal if the exclusive attributes add to the utilitarian functionality of the product. Also, applying utilitarian attributes to entertainment products and vice-versa should be investigated. For example, the “A Good Day to Die Hard” Blu-Ray featured in Figure 3 included a bottle opener and other DVD’s have included an “exclusive” t-shirt. Considering that the number of attributes had only one significant main effect in any of the experiments, this work could be especially fruitful.

Next, exclusivity may be used in several ways. Retailers may carry genuinely exclusive products, they may carry exclusive versions of widely available products, products, and in either of these cases, the exclusivity of the offer may be timed. These products present several research questions. For example, do consumers realize or suspect that the exclusivity is timed? And, if so, how does this offer affect their reactions to the product? In general, how do consumers react to timed exclusivity? To give an example from the marketplace, when the iPhone was an AT&T exclusive, did Verizon customers fully expect that the iPhone would eventually make its way to Verizon?

Another area for potential research, perhaps even unrelated to the idea of exclusivity, comes from the sugraphobia scale. As discussed in Chapter 4, the

sugraphobia scale was not reliable. One potential problem leading to this lack of reliability is that the low-attribute conditions may have affected the response to the sugraphobia scale. For example, the sugraphobia scale in all four low-attribute conditions (conditions 3, 4, 7, and 8) scored beneath the 0.70 cutoff threshold, while all the sugraphobia scale in all four high-attribute conditions scored above 0.70. Based on these results, the number of attributes listed may have introduced a response artifact affecting that negatively affected the sugraphobia scale. Increasing the number of attributes listed seemed to increase the scale reliability. Interestingly, there may be a positive relationship between the number of product attributes and trust, where the more features that were promised, the more subjects demonstrated a decreased level of mistrust (i.e. sugraphobia).

Next, little, if any, research has been conducted into the potential negative effects of exclusivity. For example, as mentioned in Chapter 3, the 2009 film “Star Trek” launched with more than one exclusive version of the product. In order to get the film and all bonus footage, director, commentaries, and behind-the-scenes footage, buying multiple versions of the film on DVD, Blu-ray, or on a digital service (iTunes) was necessary. Target, Best Buy, and iTunes all offered various “exclusive” content. Target and Amazon offered exclusive special editions of the film featuring collectable spaceships. In total, the regular film was released and at least five different “exclusive” versions of the film were released as well. For serious fans of the franchise, having to buy multiple copies of the film to get a “complete” version may be seen as an unfair or unethical marketing ploy.

Indeed, Forbes magazine's web site ran an article describing how multiple versions of the film "punished" fans (Mendelson 2013). Amazon reviews for the film also contained the occasional complaint from consumers who pointed out that multiple versions of the film must be purchased at different retailers to get a "complete" set of the film and extra features (Noonchester 2013). Some customers were also unhappy with the iTunes version, which seemed to offer minimal "exclusive" content over disc-based versions of the film (Foresman 2009).

And, to be clear, this strategy of dividing up exclusive content is not limited to films. Similar strategies take place with other products too, with multiple video game retailers often offering "exclusive" in-game content for the same game. Compact discs may also have exclusive songs at certain retailers. For example, Black Sabbath's album "13" had exclusive songs at Best Buy and on the music streaming service Spotify (Ladano 2014).

Similarly, the results from the exploratory experiment presented the possibility exclusivity may result in negative reactions. For example, as discussed in Chapter 4, when a product that is primarily utilitarian in nature is offered with an exclusive attribute that is largely hedonic in nature, consumers may actually prefer the non-exclusive product. In some cases, bottle openers (Figure 3), t-shirts, toys, replicas, and other features have been offered with DVD/Blu-rays packs. A full investigation of the different types of hedonic/utilitarian product and attribute mixtures would be fruitful ground for future research.

In summary, exclusive products, especially those products advertised as exclusive or as having exclusive features, have received little attention in the literature outside of

the exclusive nature of luxury goods. In addition, this research provides more information about the nature of exclusivity promotions in two different product categories.

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APPENDIX A

LIST OF AREPS

Examples of AREPs

Row I:

Converse One Star shoe and clothing collection (“Target Exclusive” in Fall 2010)

Image taken from: <http://www.target.com/c/converse-brand-shop/-/N-5t1kf> on June 10, 2013.

Gunnar Intercept glasses (A specific style of Gunnar eyeglasses that are “Exclusively at Best Buy” MSRP \$59.99) Image taken from:

<http://www.gunnars.com/news/announcing-the-intercept-a-best-buy-exclusive/> on June 10, 2013.

Row II:

Neon Mixr Beats by Dr. Dre headphones (“Only at Target” Neon Mixrs were a timed exclusive. MSRP \$249.99; Image taken from a promo event and hosted at:

<http://prettyconnected.com/exclusive-to-target-beats-goes-neon/> Note: These headphones

were advertised on television as a Target exclusive item. Timed exclusivity noted here:

<http://www.digitaltrends.com/home-theater/beats-mixr-headphones-go-neon-exclusively-at-target/> Notably, Best Buy signed a timed exclusivity agreement for the “ear buds”

version of the same product. <https://www.facebook.com/bestbuy> June 10th, 2013. The ear buds were advertised as “Only at Best Buy” on television during the 2013 NBA finals.

Toshiba Laptop – “Best Buy Exclusive” as advertised in their Black Friday 2012 sales paper. Pricing info taken from:

<http://us.toshiba.com/computers/laptops/satellite/C870/C875-S7303/> .

Disney’s Cars Mack Carry Case (“Only at Toys R Us”) Image taken from the 2012

Toys R Us “Black Friday” sale paper. Image hosted at:

http://adscans.bfads.net/a/539/i_1258302698_BFAdsToysRUs2009Page16-1258271718.jpg

Row III:

Taylor Swift Speak Now Live CD + DVD Deluxe Exclusive edition (“Only at Target”)

Image take from:

[http://taylorswiftmusicworld.webs.com/Albums/Speak%20Now%20World%20](http://taylorswiftmusicworld.webs.com/Albums/Speak%20Now%20World%20Tour%20Live%20Target%20Exclusive.jpg)

[Tour%20Live%20Target%20Exclusive.jpg](http://taylorswiftmusicworld.webs.com/Albums/Speak%20Now%20World%20Tour%20Live%20Target%20Exclusive.jpg) The Target exclusive deluxe version currently retails for \$16.99 <http://www.target.com/p/speak-now-deluxe-edition-cd-only-at-target/-/A-12939515> , while the Walmart non-exclusive version currently retails for \$10.99. <http://www.walmart.com/ip/Speak-Now/14945129>

Missoni designer clothing collection (“For Target”) <http://fashionbombdaily.com/wp-content/uploads/2011/09/missoni-target-ad-570x325.jpg>

G.I. Joe: The Rise of Cobra action figures (“Only at Walmart”) Image hosted at:
<http://www.theterrordrome.com/wp-content/uploads/2009/08/roc-walmart-exclusive-ninja-battles-snake-eyes-vs-storm-shadow-box.jpg>

Row IV:

Tera PC video game (“Exclusively at Best Buy, The Blue Roan Mount”) Image hosted at: <http://ecx.images-amazon.com/images/I/41lZrKrNhkL.jpg>

Dyson DC24 floor cleaner (Target Exclusive Color) Advertised in the 2012 Target “Black Friday” sale paper.

Chi Air Flat Irons (“Target Exclusive Holiday Colors include free Thermal Clutch”) Advertised in the 2012 Target “Black Friday” sale paper.

Not pictured:

Motorola - DROID RAZR M 4G LTE Mobile Phone – Platinum (“Best Buy Exclusive” – Model # MOTXT907S. Platinum color with blue buttons was a Best Buy Exclusive version.)

Source 1: <http://www.motorola.com/blog/2013/02/04/the-droid-razr-m-by-motorola-is-now-available-in-platinum-exclusively-at-best-buy/>

Source 2: http://www.bestbuy.com/site/Motorola+-DROID+RAZR+M+4G+LTE+Mobile+Phone+-+Platinum+%28Verizon+Wireless%29/7457465.p?id=1218846429069&skuld=7457465&contract_desc=

Source 3: <http://www.phonedog.com/2013/02/04/motorola-droid-razr-m-hits-best-buy-site-with-new-platinum-paint-job-and-blue-buttons/>

Star Trek: Catan (“Target Exclusive” version of the board game Catan) Source: <http://www.catan.com/news/2012-07-12/star-trek-catan-soon-be-available-usa> This item was also advertised in Target sale papers along with exclusive versions of other board games as “Target Exclusive Games”

Star Wars: Jabb’s Throne (“Only at Wal-Mart”) Not pictured, but image hosted at: http://www.sandtroopers.com/sandwatch/2010_vintage/jabbas_throne/WMJabba001.jpg

Gamestop and Foot Locker have also carried exclusive games and basketball shoes.

APPENDIX B

MEASUREMENT INSTRUMENTS

Manipulation Checks

Perceived-Item-Uniqueness (Upshaw and Amyx, 2014) (Manipulation Check1)

Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
---------------------------	---------------	--------------	------------	------------------------

The product is of limited availability.

The product is special.

The product is unique.

The product is available at many retailers. (R)

The product in the image has features that are not widely available.

Manipulation Check 2:

Was an “exclusive” label on the image?

Yes / I don’t know / No

Manipulation Check 3:

What product was featured in the product image?

A “The Beatles: The Original Studio Recordings” cd box set

A Dyson Vacuum Cleaner

A “Game of Thrones” book collection.

An Xbox One

A “Captain America: The Winter Soldier” DVD/Blu-Ray set

Measuring the Independent Variables and Covariates

Need for Uniqueness (Avoidance of Similarity) (Tian, Bearden, and Hunter, 2001)

Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
---------------------------	---------------	--------------	------------	------------------------

1. When products or brands I like become extremely popular, I lose interest in them.

2. I avoid products or brands that have already been accepted and purchased by the average consumer.

3. When a product I own becomes popular among the general population, I begin using it less.

4. As a rule, I dislike products or brands that are customarily purchased by everyone.

5. I give up wearing fashions I’ve purchased once they become popular among the general public.

6. The more commonplace a product or brand is among the general population, the less interested I am in buying it.

7. Products don’t seem to hold much value for me when they are purchased regularly by everyone.

8. When a style of clothing I own becomes too commonplace, I usually quit wearing it.

Value Consciousness Scale (Lichtenstein, Ridgeway & Netemeyer 1993)

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

1. I am concerned about getting a quality product for a low price.
2. When grocery shopping, I compare the prices of different brands to be sure I get the best value for the money.
3. When purchasing a product, I always try to maximize the quality I get for the money I spend.
4. When I buy products, I like to be sure that I am getting my money's worth.
5. I generally shop around for lower prices on products, but they still must meet certain quality requirements before I buy them.
6. When I shop, I compare the "price per ounce" information for brands I normally buy.
7. I always check prices at the grocery store to be sure that I get the best value for the money I spend.

Price Consciousness Scale (Lichtenstein, Ridgeway & Netemeyer 1993)

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

1. I am willing to go to extra effort to find lower prices.
2. I will shop at more than one store to take advantage of low prices.
3. The money saved by finding lower prices is usually worth the time and money.
4. I would definitely shop at more than one store to find lower prices.
5. The time it takes to find low prices is usually worth the effort.

Attitude toward Shopping Scale (Recreational and Shopping Consciousness) (adapted from Sproles & Sproles 1990)

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

1. Shopping is not a pleasant activity to me.
2. Going shopping is an enjoyable activity to me.
3. Shopping is a good use of my time.
4. I enjoy shopping just for the fun of it.
5. I like to take my time when I shop.

Sugraphobia Scale (adapted from Borges & Babin, 2012)

Strongly Disagree	Disagree	Slightly Disagree	Neutral	Slightly Agree	Agree	Strongly Agree
1	2	3	4	5	6	7

1. One must be careful not to be fooled by others.
2. Companies are always looking for ways to take advantage of their customers.
3. Consumers should always be careful to not be fooled by companies.
4. One cannot trust most people in general.
5. One usually cannot trust offers made by retailers.

Attitude toward the Category (adapted from Voss, Spangenberg, & Grohmann, 2003)

*Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Matrix format was used for this scale.

Generally, watching a DVD or Blu-ray is... ("Generally, vacuuming is...")

Delightful

Enjoyable

Fun

Dull

Annoying

Attitude toward the Retailer (Upshaw & Amyx, 2014)

1. Target stores are:
Very bad _____ Very good
2. Generally speaking, I _____ Target stores.
Strongly dislike _____ Strongly like
3. Target stores are:
Very unpleasant _____ Very pleasant

Attitude Toward the Ad (adapted from Singh, 1994)

1. Do you think the ad image was good or bad?
Very good _____ Very bad
2. Did you like or dislike the ad image?
Disliked a lot _____ Liked a lot
3. Was the ad image deceptive or truthful in the messages it conveyed?
Very Deceptive _____ Very Truthful
4. Do you think the ad image fairly represented the contents of the product package?
Definitely not _____ Definitely yes

5. What was your overall opinion of the ad image?

Very unfavorable _____ Very favorable

Measuring the Dependent Variables

Purchase Intention (adapted from Putrevu & Lord, 1994)

1. It is very likely that I would buy the product portrayed in the ad.

Strongly Disagree _____ Strongly Agree

2. I will definitely purchase this product portrayed in the ad.

Strongly Disagree _____ Strongly Agree

3. Suppose that a friend called you to get your advice in his/her search for the product. Considering the product image seen earlier in this survey, what would you tell your friend?

Strongly Avoid _____ Strongly Recommend

Intention-To-Seek Scale (Upshaw and Amyx, 2014)

Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
---------------------------	---------------	--------------	------------	------------------------

1. I will definitely seek out the product portrayed in the ad.

2. I will make a concerted effort to find the product.

3. I will make a special trip to obtain the product.

4. I am strongly compelled to acquire the item wherever it may be.

Price Expectations (Upshaw and Amyx, 2014)

How much do you think this product would cost? _____

What do you think is a fair price for this product? _____

If you were looking to buy this product, what is the highest price that you would pay?

*Skepticism Toward Advertising (Obermiller and Spangenberg, 1998)

Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
---------------------------	---------------	--------------	------------	------------------------

1. We can depend on getting the truth in most advertising.

2. Advertising's aim is to inform the consumer.

3. I believe advertising is informative.

4. Advertising is generally truthful.

5. Advertising is a reliable source of information about the quality and performance of products.

6. Advertising is truth well told.
 7. In general, advertising presents a true picture of the product being advertised.
 8. I feel I've been accurately informed after viewing most advertisements.
 9. Most advertising provides consumers with essential information.
- *Only used in Pre-Test 1.

APPENDIX C

PRODUCT IMAGES

Directions preceding image exposure:

“The next page contains a product image. Please be sure to read the directions above the image.

Assume you want to purchase the following product for yourself. Please carefully inspect the image, and then move on to the next page when the timer expires.”

A) Entertainment product category; Exclusive x High Attributes



Product Information:

- Captain America: The Winter Soldier Blu-Ray, DVD, Digital HD combo pack
- Over 30 minutes of exclusive deleted and extended scenes
- An exclusive behind-the-scenes featurette with the cast and crew (45 minutes)
- Exclusive features are only available at Target stores

B) Entertainment product; Non-Exclusive x High Attributes



Product Information:

- Captain America: The Winter Soldier Blu-Ray, DVD, Digital HD combo pack
- Over 30 minutes of deleted and extended scenes
- A behind-the-scenes featurette with the cast and crew (45 minutes)
- Available at Target and other retailers

C) Entertainment product; Exclusive x Low Attributes



Product Information:

- Captain America: The Winter Soldier Blu-Ray, DVD, Digital HD combo pack
- Exclusively at Target stores

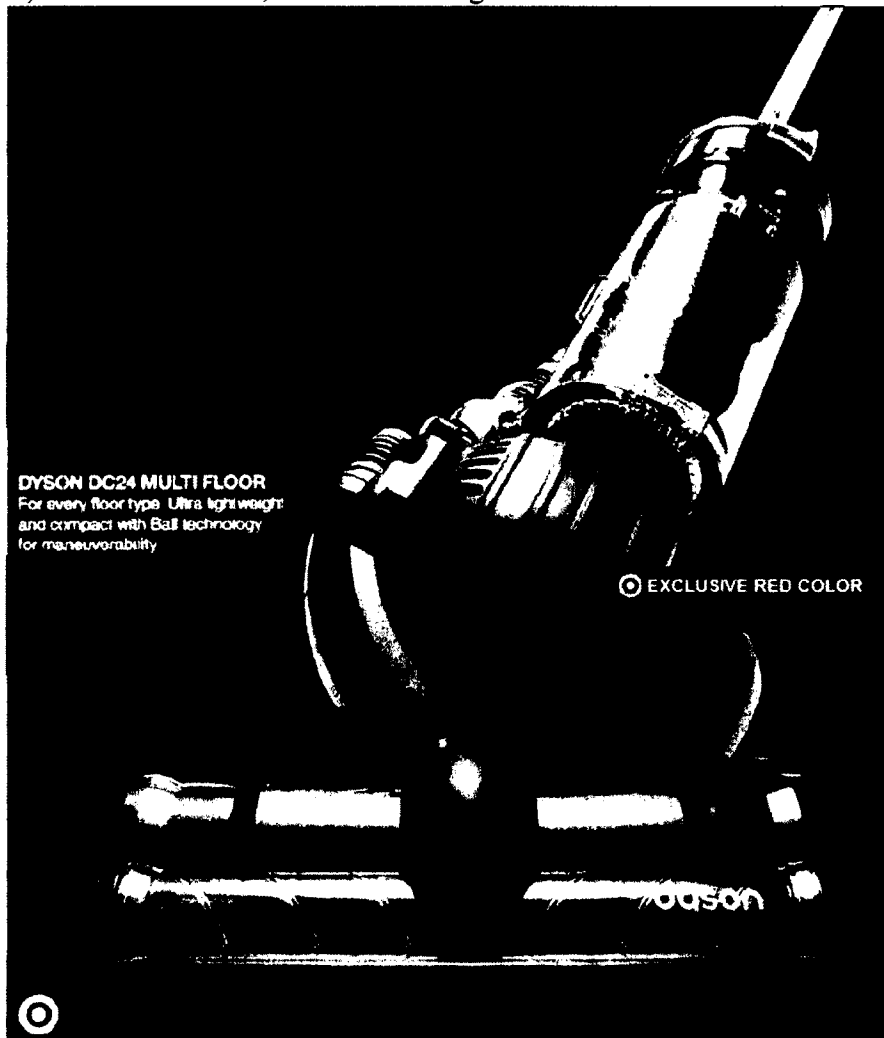
D) Entertainment product; Non-Exclusive x Low Attributes



Product Information:

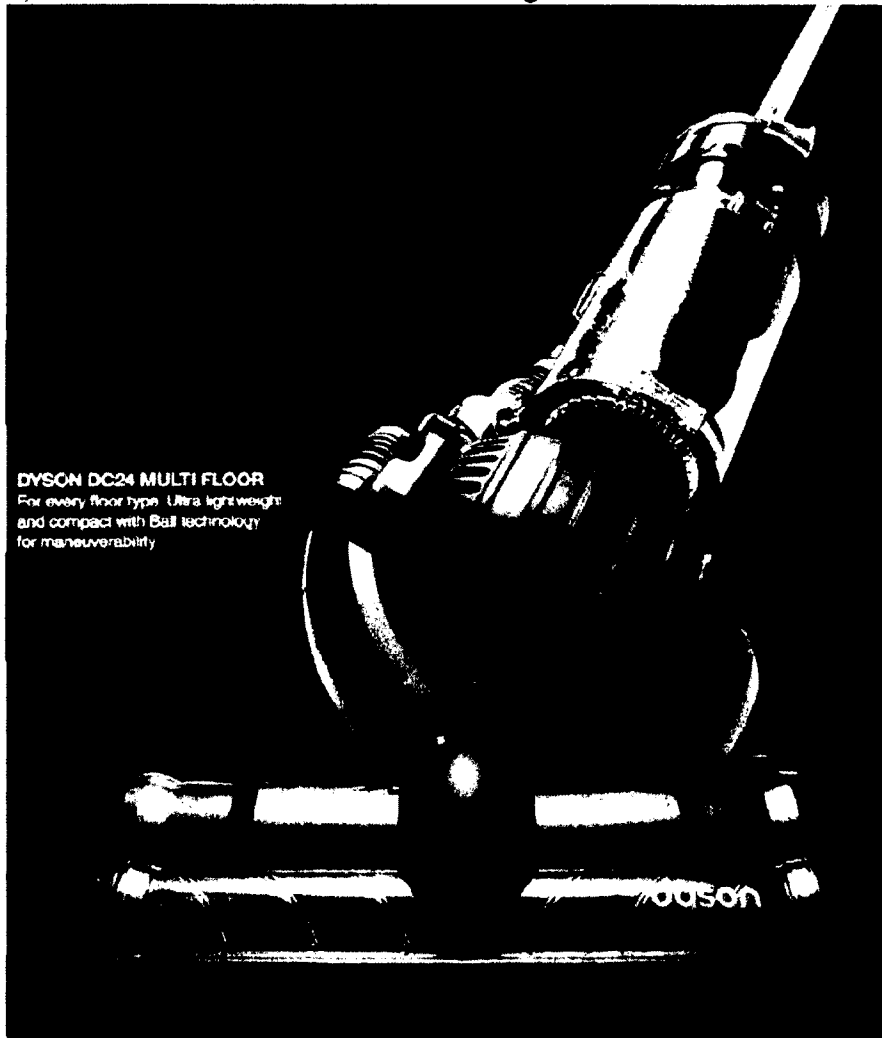
- Captain America: The Winter Soldier Blu-Ray, DVD, Digital HD combo pack
- Available at Target and other retailers

E) Vacuum Cleaner; Exclusive x High Attributes



- DYSON DC24 Vacuum
- Ultra lightweight
- Works on all floor types
- Red coloring exclusively available at Target stores.

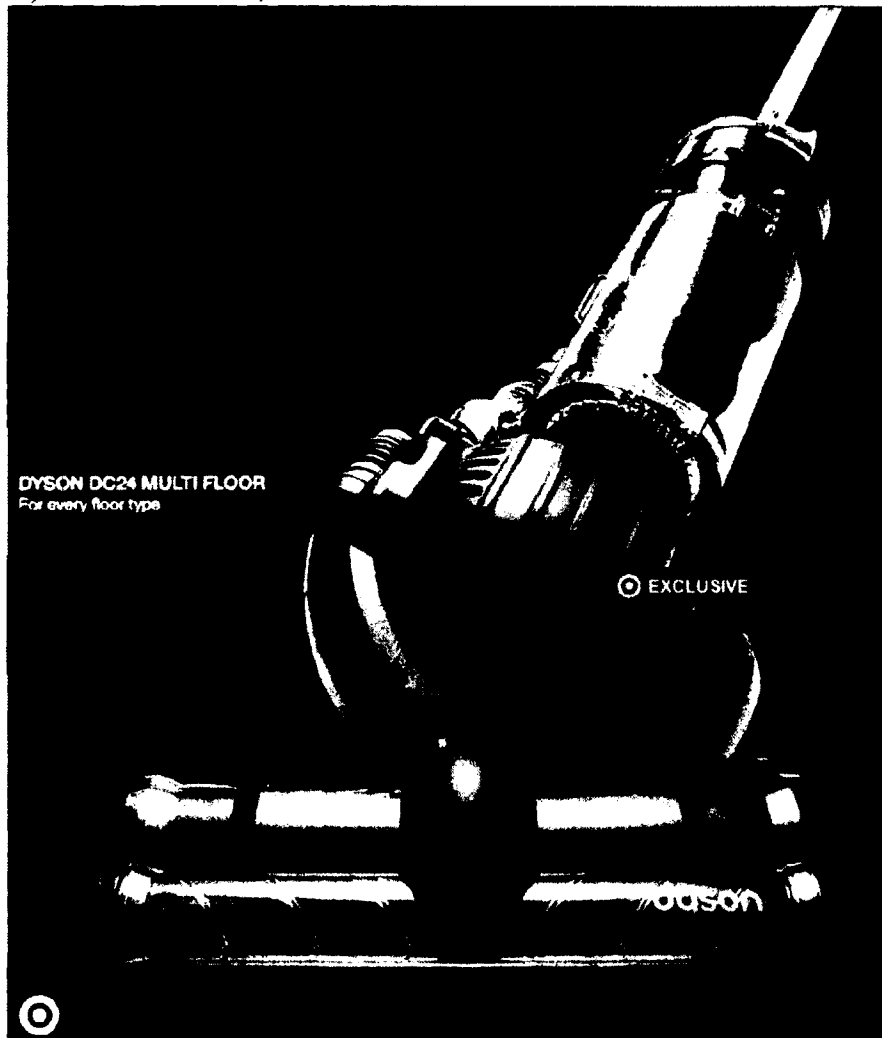
F) Vacuum cleaner; Non-Exclusive x High Attributes



DYSON DC24 MULTI FLOOR
For every floor type. Ultra lightweight
and compact with Ball technology
for maneuverability.

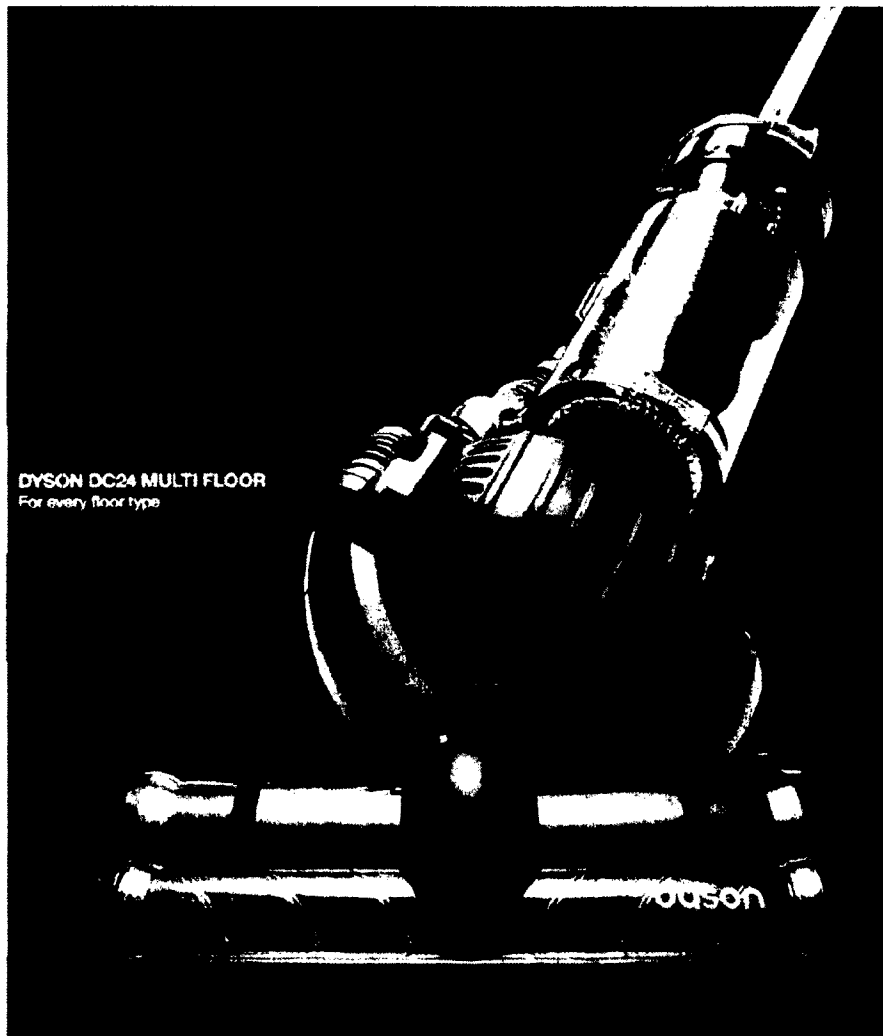
- DYSON DC24 Vacuum
- Ultra lightweight
- Works on all floor types
- Red coloring available
at Target and other
retailers

G) Vacuum cleaner; Exclusive x Low Attributes



- DYSON DC24 Vacuum
- Exclusively available at Target Stores

H) Vacuum cleaner; Non-Exclusive x Low Attributes



- DYSON DC24 Vacuum
- Available at Target and other retailers

APPENDIX D

HUMAN USE APPROVAL FORM



LOUISIANA TECH UNIVERSITY

MEMORANDUM

OFFICE OF UNIVERSITY RESEARCH

TO: Dr. Doug Amyx and Mr. Danny Upshaw
FROM: Barbara Talbot, University Research
SUBJECT: HUMAN USE COMMITTEE REVIEW
DATE: February 10, 2014

In order to facilitate your project, an EXPEDITED REVIEW has been done for your proposed study entitled:

"The Effects of Advertised Exclusivity on Consumer Behavior"

HUC 1183

The proposed study's revised procedures were found to provide reasonable and adequate safeguards against possible risks involving human subjects. The information to be collected may be personal in nature or implication. Therefore, diligent care needs to be taken to protect the privacy of the participants and to assure that the data are kept confidential. Informed consent is a critical part of the research process. The subjects must be informed that their participation is voluntary. It is important that consent materials be presented in a language understandable to every participant. If you have participants in your study whose first language is not English, be sure that informed consent materials are adequately explained or translated. Since your reviewed project appears to do no damage to the participants, the Human Use Committee grants approval of the involvement of human subjects as outlined.

Projects should be renewed annually. *This approval was finalized on February 10, 2014 and this project will need to receive a continuation review by the IRB if the project, including data analysis, continues beyond February 10, 2015.* Any discrepancies in procedure or changes that have been made including approved changes should be noted in the review application. Projects involving NIH funds require annual education training to be documented. For more information regarding this, contact the Office of University Research.

You are requested to maintain written records of your procedures, data collected, and subjects involved. These records will need to be available upon request during the conduct of the study and retained by the university for three years after the conclusion of the study. If changes occur in recruiting of subjects, informed consent process or in your research protocol, or if unanticipated problems should arise it is the Researchers responsibility to notify the Office of Research or IRB in writing. The project should be discontinued until modifications can be reviewed and approved.

If you have any questions, please contact Dr. Mary Livingston at 257-2292 or 257-5066.

A MEMBER OF THE UNIVERSITY OF LOUISIANA SYSTEM

P.O. BOX 3092 • RUSTON, LA 71272 • TEL: (318) 257-5075 • FAX: (318) 257-5079

AN EQUAL OPPORTUNITY UNIVERSITY



LOUISIANA TECH UNIVERSITY

MEMORANDUM

OFFICE OF UNIVERSITY RESEARCH

TO: Dr. Doug Amyx and Mr. Danny Upshaw
 FROM: Barbara Talbot, University Research
 SUBJECT: HUMAN USE COMMITTEE REVIEW
 DATE: May 22, 2014

In order to facilitate your project, an EXPEDITED REVIEW has been done for your proposed study entitled:

"The Effects of Advertised Exclusivity on Consumer Behavior"

**HUC 1183 REVISION
 (Change Images from "Hunger Games" to "Captain America")**

The proposed study's revised procedures were found to provide reasonable and adequate safeguards against possible risks involving human subjects. The information to be collected may be personal in nature or implication. Therefore, diligent care needs to be taken to protect the privacy of the participants and to assure that the data are kept confidential. Informed consent is a critical part of the research process. The subjects must be informed that their participation is voluntary. It is important that consent materials be presented in a language understandable to every participant. If you have participants in your study whose first language is not English, be sure that informed consent materials are adequately explained or translated. Since your reviewed project appears to do no damage to the participants, the Human Use Committee grants approval of the involvement of human subjects as outlined.

Projects should be renewed annually. *This approval was finalized on February 10, 2014 and this project will need to receive a continuation review by the IRB if the project, including data analysis, continues beyond February 10, 2015.* Any discrepancies in procedure or changes that have been made including approved changes should be noted in the review application. Projects involving NIH funds require annual education training to be documented. For more information regarding this, contact the Office of University Research.

You are requested to maintain written records of your procedures, data collected, and subjects involved. These records will need to be available upon request during the conduct of the study and retained by the university for three years after the conclusion of the study. If changes occur in recruiting of subjects, informed consent process or in your research protocol, or if unanticipated problems should arise it is the Researchers responsibility to notify the Office of Research or IRB in writing. The project should be discontinued until modifications can be reviewed and approved.

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